APPAREL MADE-UPS & HOME FURNISHING SECTOR SKILL COUNCIL

(Under Ministry of Skill Development & Entrepreneurship; Govt. of India)



Annual REPORT 2025-26







MESSAGE FROM THE CHAIRMAN



It gives me immense pleasure to present the Annual Report of the **Apparel, Made-Ups & Home Furnishing Sector Skill Council (AMHSSC)** for the financial year 2025–26.

The year has been marked by continued efforts to strengthen India's skilling ecosystem and align it with the evolving needs of the apparel, made-ups and home furnishing industry. During the year, AMHSSC had ***400 affiliated training centres, 78 master trainers and 16 assessment agencies, while facilitating 1,506 Training of Trainers and 2,32,074 assessments and certifications***.

We continued to focus on women empowerment, employment-oriented training and sustainable livelihoods through various government, industry and CSR partnerships. Our Centres of Excellence, including the new **AI-enabled Centre of Excellence at Baghpat**, are strengthening practical, technology-driven and industry-relevant learning.

Our international collaboration with **ITE Singapore for the Luxury Fashion Consultant Programme** and our initiatives with leading institutions such as IIT Madras reflect our commitment to bringing global standards, innovation and digital learning into the Indian skilling ecosystem.

Going forward, AMHSSC will continue to focus on industry-led skilling, technology and AI, women-led entrepreneurship, sustainability and global collaborations, with the objective of creating a skilled, productive and globally competitive workforce.

I express my sincere gratitude to Hon'ble Prime Minister Shri Narendra Modi Ji, Shri Jayant Chaudhary Ji - Hon'ble Minister of State (Independent Charge) for the Ministry of Skill Development and Entrepreneurship (MSDE) and Minister of State for Education, Government of India, NCVET, NSDC, our Board Members, industry partners, training partners and the entire AMHSSC team for their continued guidance and support.

Together, we remain committed to building a stronger and future-ready skills ecosystem for India's apparel and textile industry.

Mr. Premal Udani
Chairman - AMHSSC

Table of Content

Description	Page
BOARD OF DIRECTORS	01-02
NOTICE	03-14
DIRECTORS' REPORT	15-65
INDEPENDENT AUDITOR'S REPORT	66-74
BALANCE SHEET	75-76
INCOME AND EXPENDITURE ACCOUNT	77-78
CASH FLOW STATEMENT	79-80
NOTE 1 TO 17	81-86
NOTE 18	87-103



BOARD OF DIRECTORS

Board of Directors

DIN NO.	NAME OF THE DIRECTOR	DESIGNATION
00075391	Shri Premal Udani	Chairman
00073331	Shri Virender Uppal	Director
00027485	Dr. A. Sakthivel	Director
00446351	Shri Ankur Gadia	Nominee Director CMAI
03294193	Shri R. Ramu	Director
00230702	Shri Ramesh Agarwal	Director
01656811	Shri K.Sakthivel	Director
00705563	Shri HKL Magu	Nominee Director AEPC
00007179	Shri Rajesh Ramesh Mandawewala	Director
01891666	Shri Lalit Thukral	Director
02611408	Shri Sundaramurthy	Director
08899492	Shri Sanjeeva Singh	Nominee Director NSDC
11576241	Dr. Archana Gandhi	Nominee Director NIFT
00077379	Shri Rakesh Vaid	Director
11235845	Shri Ashish Srivastava	CEO cum Director

AUDITOR
Khanna & Annadhanam
Chartered Accountants
(Regn. No. 001297N)

BANKERS
HDFC Bank
Indian Overseas Bank
Yes Bank

Registered Office
Flat No.A-312 to A-323, 3rd Floor, Somdatt Chamber-I
Bhikaji Cama Place, Africa Avenue, New Delhi-110066
CIN: U93000DL2013NPL315524
Website: www.sscamh.com

Head Office
Flat No.A-312 to A-323
3rd Floor, Somdatt Chamber-I
Bhikaji Cama Place, Africa Avenue, New Delhi-110066

Other offices at:

- New Delhi (COE)
- Tirupur (COE)
- Mumbai (COE)
- Chandigarh Regional office
- Baghpat (COE)
- Coimbatore (COE)
- Chennai Regional office
- Tirupur Regional office
- Guwahati (COE)

Notes:

1. *Council members are requested to keep the soft copies of the Annual Report handy during the meeting, as the Annual Report (2025-26) will only be sent through E-mail to all Members, as per the MCA circular No.20/2020 dated 05.05.2020.*
2. *Members having any queries on accounts are requested to send them in advance to the Council to enable to collect the relevant information.*


APPAREL MADE-UPS & HOME FURNISHING
SECTOR SKILL COUNCIL
NOTICE

AGM NOTICE FOR F.Y. 2025-26

NOTICE IS HEREBY GIVEN THAT THE 13th ANNUAL GENERAL MEETING OF THE APPAREL MADE-UPS & HOME FURNISHING SECTOR SKILL COUNCIL WILL BE HELD ON 22nd SEPTEMBER 2026, TUESDAY AT 12:00 NOON AT THE REGISTERD OFFICE OF THE COUNCIL SITUATED AT FLAT NO. A-312 TO A-323, 3RD FLOOR, SOMDATT CHAMBER-1, BHIKAJI CAMA PLACE, AFRICA AVENUE, NEW DELHI -110066 ALSO REMOTELY VIA ZOOM. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. **TO RECEIVE AND ADOPT THE AUDITED PROFIT AND LOSS ACCOUNT OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2026, TOGETHER WITH THE AUDITORS REPORT AND BOARD REPORT THEREON.**

   "**RESOLVED THAT** pursuant to the provisions of Section 96, 102, 134 or any other applicable provisions of the Companies Act, 2013 and rules made there under, the Audited financial statements for the financial year 2025-26 for the period ended and the Auditors report & Board report thereon be and is hereby considered, approved and adopted."

2. **2. TO CONSIDER THE RE-APPOINTMENT OF MR. RAMU RAJU (DIN: 03294193), DIRECTOR WHO IS RETIRING BY ROTATION AND IS ELIGIBLE FOR REAPPOINTMENT AND PASS THE FOLLOWING RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 152(6) &. (7) and other applicable provisions if any, of Companies Act, 2013 and Articles of Association of the company, Mr. Ramu Raju (DIN: 03294193) who is liable to retire by rotation and being eligible offers themselves for re-appointment be and is hereby re-appointed as Director of the Company."

   FURTHER RESOLVED THAT any directors of the company be and is hereby authorized to sign and file necessary e-forms with the registrar of Companies and to do all such acts, things and deeds as may be deemed necessary to give effect to the above stated resolutions."

SPECIAL BUSINESS:

3. **REGULARIZATION OF ADDITIONAL DIRECTOR MR. RAMESH AGARWAL, DIN (00230702) AS THE DIRECTOR OF THE COMPANY**

   To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of section 152, 160, 161(1) and other provisions, if any, applicable to the Company, for the time being in force, of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s)

or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr Ramesh Agarwal (DIN: 00230702) , who was appointed as an additional Non-Executive Director, by the Board of Directors, who holds office up to the date of this Annual General Meeting and who pursuant to the provisions of section 160 of the Companies Act, 2013, left at the Registered office of the Council, a notice in writing his hand signifying his candidature as a director, be and is hereby appointed as an Non-Executive Director of the Council liable to retire by rotation."

4. **REGULARIZATION OF ADDITIONAL DIRECTOR MR. K. SAKTHIVEL, DIN (01656811) AS THE DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 152, 160, 161(1) and other provisions, if any, applicable to the Company, for the time being in force, of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr K. Sakthivel (DIN: 01656811) , who was appointed as an additional Non-Executive Director, by the Board of Directors, who holds office upto the date of this Annual General Meeting and who pursuant to the provisions of section 160 of the Companies Act, 2013, left at the Registered office of the Council, a notice in writing his hand signifying his candidature as a director, be and is hereby appointed as an Non-Executive Director of the Council liable to retire by rotation."

5. **REGULARIZATION OF ADDITIONAL DIRECTOR MR. LALIT THUKRAL, DIN (01891666) AS THE DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 152, 160, 161(1) and other provisions, if any, applicable to the Company, for the time being in force, of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr Lalit Thukral (DIN: 01891666) , who was appointed as an additional Non-Executive Director, by the Board of Directors, who holds office upto the date of this Annual General Meeting and who pursuant to the provisions of section 160 of the Companies Act, 2013, left at the Registered office of the Council, a notice in writing his hand signifying his candidature as a director, be and is hereby appointed as an Non-Executive Director of the Council liable to retire by rotation."

6. **REGULARIZATION OF ADDITIONAL DIRECTOR MR. SUBRAMANIAM SUNDARMURTHY, DIN (02611408) AS THE DIRECTOR OF THE COMPANY.**

To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 152, 160, 161(1) and other provisions, if any, applicable to the Company, for the time being in force, of the Companies

Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr Subramaniam Sundarmurthy (DIN: 02611408) , who was appointed as an additional Non-Executive Director, by the Board of Directors, who holds office upto the date of this Annual General Meeting and who pursuant to the provisions of section 160 of the Companies Act, 2013, left at the Registered office of the Council, a notice in writing his hand signifying his candidature as a director, be and is hereby appointed as an Non- Executive Director of the Council liable to retire by rotation."

7. **REGULARIZATION OF ADDITIONAL DIRECTOR MR. RAJESH R. MANDAWEWALA, DIN (00007179) AS THE DIRECTOR OF THE COMPANY.**

To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 152, 160, 161(1) and other provisions, if any, applicable to the Company, for the time being in force, of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr Rajesh R. Mandawewala (DIN: 00007179) , who was appointed as an additional Non-Executive Director, by the Board of Directors, who holds office upto the date of this Annual General Meeting and who pursuant to the provisions of section 160 of the Companies Act, 2013, left at the Registered office of the Council, a notice in writing his hand signifying his candidature as a director, be and is hereby appointed as an Non- Executive Director of the Council liable to retire by rotation."

For and on behalf of the Board of Directors
APPAREL MADE-UPS & HOME FURNISHING SECTOR SKILL COUNCIL

Date: 27-08-2026
Place: New Delhi

(Dr. Aditi Yadav)
Secretary to the Board

NOTES

1. MEMBER MAY JOIN THE ANNUAL GENERAL MEETING IN PERSON AT **FLAT NO. A-312 TO A-323, 3RD FLOOR, SOMDATT CHAMBER-1, BHIKAJI CAMA PLACE, AFRICA AVENUE NEW DELHI-110066** ALSO REMOTELY VIA ZOOM BY CLICKING ON THE INVITATION SEND THROUGH ZOOM APP. THE LINK /LOGIN CREDENTIALS OF THE MEETING WILL BE PROVIDED TO ALL THE INVITEES VIA E-MAIL AT LEAST 3 DAYS BEFORE THE MEETING AT REGISTERED EMAIL ADDRESS.
2. MEMBERS INTENDING TO AUTHORIZE THEIR AUTHORIZED REPRESENTATIVES TO ATTEND THE MEETING THROUGH VIDEO CONFERENCING ARE ADVISED TO SEND A DULY CERTIFIED COPY OF THE BOARD.
3. THE RELEVANT EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013 RELATING TO SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ATIACHED HERETO.
4. THE MEMBERS ARE REQUESTED TO NOTIFY THE CHANGE IN THEIR ADDRESS AND MANDATE, IF ANY QUOTING THEIR FOLIO NUMBER TO THE REGISTERED OFFICE OF THE COMPANY.
5. MEMBERS SEEKING ANY INFORMATION AND QUERIES WITH REGARD TO THE ACCOUNTS ARE REQUESTED TO WRITE TO THE COMPANY AT AN EARLY DATE, SO AS TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION READY AT THE MEETING.
6. ALL DOCUMENTS REFERRED TO IN THE PROPOSED RESOLUTIONS ARE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY ON ANY WORKING DAY PRIOR TO THE DATE OF THE ANNUAL GENERAL MEETING, EXCEPT SATURDAVS AND SUNDAVS, BETWEEN 11:00 AM AND 1:00 PM
7. ANY MEMBER MAY APPOINT PROXY. ACCORDINGLY, THE FACILITY OF APPOINTMENT OF PROXIES BY MEMBER UNDER SECTION 105 OF THE COMPANIESACT, 2013 WILL BE APPLICABLE FOR THIS ANNUAL GENERAL MEETING.
8. A BLANK FORM OF PROXY IS ENCLOSED HEREWITH AND IF INTENDED TO BE USED, IT SHOULD BE DEPOSITED DULY FILLED UP AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. HOWEVER, IN PURSUANCE OF SECTION 112 AND SECTION 113 OF THE ACT, REPRESENTATIVE OF THE MEMBERS MAY BE APPOINTED FOR THE PURPOSE OF VOTING THROUGH AND PARTICIPATION IN THE 12TH ANNUAL GENERAL MEETING.

[EXPLANATORY STATEMENT IN PURSUANT TO THE PROVISION OF SECTION 102 OF THE COMPANIES ACT, 2013]

ITEM NO.3

SPECIAL BUSINESS

The Board of Directors of the Company, at its 39th Meeting held on 22.04.2026 at Tiruppur, appointed Mr. Ramesh Agarwal (DIN: 00230702) as an Additional Non-Executive Director of the Company with effect from 22.04.2026.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Mr. Ramesh Agarwal shall hold office as an Additional Director up to the date of the ensuing Annual General Meeting or the last date on which such Annual General Meeting should have been held, whichever is earlier.

The Company has received the requisite consent from Mr. Ramesh Agarwal to act as a Director of the Company and a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Company has also received a notice under Section 160 of the Act proposing the candidature of Mr. Ramesh Agarwal for appointment as a Non-Executive Director of the Company. The Board recommends the resolution for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed resolution, except Mr. Ramesh Agarwal to the extent of his appointment as a Non-Executive Director of the Company.

ITEM NO.4

SPECIAL BUSINESS

The Board of Directors of the Company, at its 39th Meeting held on 22.04.2026 at Tiruppur, appointed Mr. K. Sakthivel (DIN: 01656811) as an Additional Non-Executive Director of the Company with effect from 22.04.2026.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Mr. K. Sakthivel shall hold office as an Additional Director up to the date of the ensuing Annual General Meeting or the last date on which such Annual General Meeting should have been held, whichever is earlier.

The Company has received the requisite consent from Mr. K. Sakthivel to act as a Director of the Company and a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Company has also received a notice under Section 160 of the Act proposing the candidature of Mr. K. Sakthivel for appointment as a Non-Executive Director of the Company. The Board recommends the resolution for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed resolution, except Mr. K. Sakthivel to the extent of his appointment as a Non-Executive Director of the Company.

ITEM NO.5

SPECIAL BUSINESS

The Board of Directors of the Company, at its 39th Meeting held on 22.04.2026 at Tiruppur, appointed Mr. Lalit Thukral (DIN: 01891666) as an Additional Non-Executive Director of the Company with effect from 22.04.2026.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Mr. Lalit Thukral shall hold office as an Additional Director up to the date of the ensuing Annual General Meeting or the last date on which such Annual General Meeting should have been held, whichever is earlier.

The Company has received the requisite consent from Mr. Lalit Thukral to act as a Director of the Company and a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Company has also received a notice under Section 160 of the Act proposing the candidature of Mr. Lalit Thukral for appointment as a Non-Executive Director of the Company. The Board recommends the resolution for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed resolution, except Mr. Lalit Thukral to the extent of his appointment as a Non-Executive Director of the Company.

ITEM NO.6

SPECIAL BUSINESS

The Board of Directors of the Company, at its 39th Meeting held on 22.04.2026 at Tiruppur, appointed Mr. Subramaniam Sundarmurthy (DIN: 02611408) as an Additional Non-Executive Director of the Company with effect from 22.04.2026.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Mr. Subramaniam Sundarmurthy shall hold office as an Additional Director up to the date of the ensuing Annual General Meeting or the last date on which such Annual General Meeting should have been held, whichever is earlier.

The Company has received the requisite consent from Mr. Subramaniam Sundarmurthy to act as a Director of the Company and a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Company has also received a notice under Section 160 of the Act proposing the candidature of Mr. Subramaniam Sundarmurthy for appointment as a Non-Executive Director of the Company, to hold office in accordance with the applicable provisions of the Act. The Board recommends the resolution for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed resolution, except Mr. Subramaniam Sundarmurthy to the extent of his appointment as a Non-Executive Director of the Company.

ITEM NO.7

SPECIAL BUSINESS

The Board of Directors of the Company, at its 39th Meeting held on 22.04.2026 at Tiruppur, appointed Mr. Rajesh R. Mandawewala (DIN: 00007179) as an Additional Non-Executive Director of the Company with effect from 22.04.2026.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Mr. Rajesh R. Mandawewala shall hold office up to the date of the ensuing Annual General Meeting or the last date on which such Annual General Meeting should have been held, whichever is earlier.

The Company has received the requisite consent from Mr. Rajesh R. Mandawewala to act as a Director of the Company and a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Board is of the opinion that the appointment of Mr. Rajesh R. Mandawewala as a Non-Executive Director would be in the interest of the Company and recommends the resolution for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution, except Mr. Rajesh R. Mandawewala to the extent of his appointment as a Director of the Company.

For and on behalf of the Board of Directors
APPAREL MADE-UPS & HOME FURNISHING SECTOR SKILL COUNCIL

Date: 27-08-2026
Place: New Delhi

(Dr. Aditi Yadav)
Secretary to the Board

CONSENT FORM FOR REAPPOINTMENT AS DIRECTORS

On the letter head of Individual (optional)

Date:

The Board of directors
Apparel Made-Ups and Home furnishing Sector Skill Council
Flat No. A-312 to A-323, 3rd Floor, Somdatt Chamber-1,
Bhikaji Cama Place, Africa Avenue,
New Delhi-110066

Sub: Consent to re-appointment as Director pursuant to retirement by rotation

Dear Sir,

I understand that in accordance with the Articles of Association of the company subject to the Companies Act, 2013, I am liable to retire by rotation at the ensuing Annual General Meeting. Being eligible, I hereby offer myself for my re-appointment as Director at the said ensuing Annual General Meeting

Thanking You

Yours sincerely

(Name & signature)

PROXY FORM MGT-11

Form No. MGT-11

PROXY FORM

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

CIN:

Name of the Company:

Registered office:

Name of the Member(s)	:.....
Registered address	:.....
E-mail Id	:.....
Folio No/ Clint Id	:.....

I/ We being the member of M/S APPAREL MADE-UPS AND HOME FURNISHING SECTOR SKILL COUNCIL, holding _____ shares, hereby appoint:

Name	:.....
Address	:.....
E-mail Id	:.....
Signature	:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 13th Annual General Meeting of members of the Company, to be held on 22.09.2026 (Tuesday) at 12:00 Noon in person at the Registered office of the company situated at Flat No. A-312 to A-323, 3rd Floor, Somdatt Chamber-1, Bhikaji Cama Place, Africa Avenue New Delhi-110066 also remotely via zoom and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. ADOPTION OF BALANCE SHEET, STATEMENT OF PROFIT AND LOSS, AUDITORS REPORT AND DIRECTORS REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2026.
2. TO CONSIDER THE RE-APPOINTMENT OF Mr. Ramu Raju (DIN: 03294193), DIRECTOR WHO IS RETIRING BY ROTATION AND IS ELIGIBLE FOR REAPPOINTMENT.
3. To REGULARIZATION OF ADDITIONAL DIRECTOR Mr RAMESH AGARWAL (DIN: 00230702) AS THE DIRECTOR OF THE COMPANY.
4. To REGULARIZATION OF ADDITIONAL DIRECTOR Mr K. SAKTHIVEL (DIN: 01656811) AS THE DIRECTOR OF THE COMPANY.

5. To REGULARIZATION OF ADDITIONAL DIRECTOR Mr LALIT THUKRAL (DIN: 01891666) AS THE DIRECTOR OF THE COMPANY.
6. To REGULARIZATION OF ADDITIONAL DIRECTOR MR. SUBRAMANIAM SUNDARMURTHY (DIN: 02611408) AS THE DIRECTOR OF THE COMPANY.
7. To REGULARIZATION OF ADDITIONAL DIRECTOR Mr. RAJESH R. MANDAWEWALA (DIN: 00007179) AS THE DIRECTOR OF THE COMPANY.

Signed This..... Day of..... 2026

Affix Revenue Stamp

Signature of Shareholder

Signature of Proxy Holder(S)

Note: *This Form Of Proxy In Order To Be Effective Should Be Duly Completed And Deposited At The registered Office Of The Company, Not Less Than 48 Hours Before The Commencement Of The Meeting.*

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

Apparel, Made-Ups and Home Furnishing Sector Skill Council

Attendance Slip of Annual General Meeting

ATTENDANCE SLIP

13th Annual General Meeting, on 22.09.2026 at 12:00 Noon

I certify that I am a registered member/proxy for the registered member of Apparel, Made-Ups and Home Furnishing Sector Skill Council and hereby record my presence at the 13th Annual General Meeting of the Company on 22nd September 2026 at 12:00 Noon in person at the Registered office of the company situated at Flat No. A-312 to A-323, 3rd Floor , Somdatt Chamber-1, Bhikaji Coma Place, Africa Avenue, New Delhi- 110066 and also remotely via zoom.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: *Please fill this attendance slip and hand it over at the entrance of the hall.*



DIRECTORS' REPORT

DIRECTORS' REPORT

TO,

THE MEMBERS

APPAREL MADE UPS & HOME FURNISHING SECTOR SKILL COUNCIL

Flat No. A-312 to A-323, 3rdFloor, Somdatt Chamber-1, Bhikaji Cama Place, Africa Avenue,

New Delhi-110066

The Board of Directors are pleased to present the Council's 13th Annual Report together with audited statement of accounts and Auditor's Report thereon, for the financial year ended 31st March, 2026.

FINANCIAL SUMMARY & HIGHLIGHTS

The council's financial performance for the year ended March 31, 2026 is summarized below:

Particulars	Year ended March 31, 2026 (Amount In 'Lakhs)	Year ended March 31, 2025 (Amount In 'Lakhs)
Revenue From Operations (A)	10,199.84	11,086.53
Other incomes (B)	863.21	600.10
Total Income (C= A+B)	**11,063.05**	**11,686.63**
Expenditures (Including Prior Period Item Net) (D)	10,859.20	10,821.97
Surplus/(Deficit) (E=C-D)	**203.85**	**864.66**
Income tax adjustment (F)	-	-
Transfer From Reserves (G)	-	-
Transfer To Reserves (H)	-	-
Balance in the Statement of Income and Expenditure carried to Balance Sheet (J=G-H)	**203.85**	**864.66**

BRIEF DESCRIPTION OF THE STATE OF AFFAIRS

The Primary Mandate of the Council is to enhance and build capacity for trained labour in Apparel, Made Ups and Home Furnishing Sector of the Textile Industry. During the year gone by, the important milestones were achieved by our Council as under;

AMHSSC has been able to achieve the following milestones

Affiliation of Training Partners (Training Centers)	400 Nos.
Affiliation of Assessment Agencies (AA-Regional-4 & National-12)	16 Nos.
Master Trainers	78 Nos.
Development of QPs/NOSs (Revised)	23 QPs / NOSs & 4 New QPS/NOSs
Number of TOTs (FY 2025-26)	1506 Nos.
Assessments and Certifications (FY 2025-26)	2,32,074 Candidates

OTHER EVENTS WORTH NOTICING

Kalaignar Koivinoi Thittam (KKT) Initiative **28th April, 2025**

AMHSSC's Centre of Excellence, Tirupur conducted a 10-day upskilling workshop under the KKT initiative, with participation from artisans across Tamil Nadu. The program focused on skill enhancement, product quality, and market readiness, along with sessions on advanced techniques and digital marketing.



India-UK FTA: A Boost for Textile Sector

7th May, 2025

Padma Shri Dr. A. Sakthivel, the then Chairman, AMHSSC, described the India-UK FTA as a key milestone for the textile sector, boosting exports, easing trade barriers and strengthening the value chain.



CSR Training Program Launched in Raichur

8th May, 2025

AMHSSC, in collaboration with New Space India Limited (NSIL), launched a CSR training program in Raichur, Karnataka, aimed at strengthening grassroots skill development in the apparel sector.



Skill Development Training for ITI Students

28th May, 2025

A total of 46 students from ITI Palghar and ITI Vasai completed a 15-day job-oriented dress-making training at the Centre of Excellence in Kandivali, Mumbai.



Garment Production Internship

29th May, 2025

AMHSSC's Centre of Excellence, Tirupur conducted a 15-day internship that provided students with hands-on training in garment production, helping them build practical skills and industry readiness.



Mission Shakti Certification

2nd June, 2025

AMHSSC, in collaboration with the Department of Mission Shakti, organized a certificate distribution ceremony recognizing women who successfully completed skill-based training as Sewing Machine Operators.



Strengthening Government- SSC Collaboration

4th June, 2025

Dr. A. Sakthivel, the then Chairman, AMHSSC, welcomed the government's engagement with Sector Skill Councils and highlighted the need to strengthen the skilling ecosystem to meet industry demands and global standards.



Certificate Ceremony with IOCL Marks CSR Milestone

10th June, 2025

On 26th May 2025, AMHSSC, in collaboration with Indian Oil Corporation Limited (IOCL), hosted a Certificate Distribution Ceremony at the Amritsar Training Center.



IGL CSR Initiative Empowers Women Tailors

17th June, 2026

Under the IGL CSR project, 485 women were trained as self-employed tailors, marking a significant step towards empowerment and self-reliance.



500 Women Trained Under ONGC CSR Initiative

24th June, 2025

AMHSSC successfully conducted a certificate distribution ceremony at the Amritsar Training Center under the ONGC CSR initiative. A total of 500 women completed their training as Self-Employed Tailors, marking a significant stride toward economic independence and skill empowerment



AMHSSC & Croplot ML Launch Women-Centric Training Centre Under Mahindra CSR

2nd July, 2025

AMHSSC announced the inauguration of a new training centre in collaboration with M/s Croplot Machine Learning Pvt. Ltd., under the CSR initiative of Mahindra & Mahindra Limited.



AMHSSC Signs Landmark MoU with ITE Singapore to Launch Luxury Fashion Consultant Course

4th July, 2025

Under the leadership of Hon'ble Union Minister Shri Piyush Goyal and with the support of Hon'ble Minister Shri Jayant Chaudhary, AMHSSC achieved a significant milestone by signing a landmark MoU with ITE Singapore. Led by Padma Shri Dr. A. Sakthivel, the then Chairman, AMHSSC this collaboration aimed to launch an exclusive Luxury Fashion Consultant course in India.



India–UK CETA: Driving Trade and Skill Growth

30th July, 2025

Dr. Padma Shri A. Sakthivel, the then Chairman of AMHSSC, shared his insights on how the India–UK CETA serves as a catalyst for both trade expansion and skill development. He highlighted that this strategic partnership not only boosts apparel exports but also empowers India's workforce, marking a defining moment for the nation's fashion and textile ecosystem.



Insightful Interaction in Coimbatore with Educators & Industry Leaders

18th July,2025

Shri Dharmendra Pradhan ji engaged with leading educationists, industrialists, and thinkers in Coimbatore and Tiruppur. Discussions revolved around innovation, entrepreneurship, NEP 2020, and mother-tongue education. The meet highlighted Coimbatore's potential to evolve into a national hub for future-ready education and industrial growth.



India-UK FTA Ushers New Growth for Apparel Sector

24th July 2025

AMHSSC welcomed the India-UK FTA as a transformative step, opening new market opportunities, easing trade barriers, and driving global growth for India's textile and apparel sector



Empowering Women in the North East through Skill Development

14th Aug, 2025

The inaugural ceremony of the first batch of Sewing Machine Operator (SMO) training was held on 13th August 2025 at AMHSSC's Centre of Excellence, Guwahati. Supported by Azure Power under its CSR initiative and organized in collaboration with NEHHDC.





Kalaignar Kaivinai Thittam (KKT)

28th Aug, 2025

Under the Kalaignar Kaivinai Thittam scheme, the Center of Excellence conducted a 10-day upskilling program for self-employed individuals from Tirupur. The 6th batch focused on enhancing technical skills, productivity, and quality awareness in apparel manufacturing.



Promoting Skill Development & Rehabilitation

30th Aug, 2025

AMHSSC participated in a vocational fair by DSLSA in Delhi, showcasing training programs and promoting employment and self-employment opportunities through live demonstrations.



Textile Industry Delegation Meets Finance Minister in Chennai

2nd Sep, 2025

Dr. A. Sakthivel, the then Chairman of AMHSSC, along with key representatives from the textile and apparel industry, met Hon'ble Finance Minister Smt. Nirmala Sitharaman in Chennai to discuss challenges arising from the reciprocal tariff imposed by the USA.



A Proud Moment for Tirupur and the Nation

10th Sep, 2025

It was a moment of great pride for Tiruppur and the nation to witness the elevation of the Hon'ble Vice President of India, who hails from Tiruppur and is closely associated with the knitwear industry. His journey to one of the highest constitutional offices of the country reflects his decades of dedicated service and commitment towards the welfare and upliftment of society. The AMHSSC takes pride in this remarkable achievement and extends its heartfelt wishes for his good health, long life, and continued contribution towards the progress and development of the nation.



MoU with Marudhar Kesari Jain College

11th Sep, 2025

AMHSSC's Centre of Excellence, Tiruppur signed an MoU with Marudhar Kesari Jain College for Women to strengthen industry-academia collaboration and enhance student employability through skill development initiatives



AMHSSC Chairman Attended Oath Ceremony of Hon'ble Vice President of India

12th Sep, 2025

The Apparel, Made-Ups & Home Furnishing Sector Skill Council (AMHSSC) shared a proud moment as the then Chairman Dr. A. Sakthivel attended the oath ceremony of Shri C.P. Radhakrishnan, who assumed office as the Hon'ble Vice President of India.



MoU Signed to Strengthen Industry Academia Collaboration

12th Sep, 2025

COE–Tirupur signed an MoU with Marudhar Kesari Jain College for Women to enhance students' employability through training, workshops, and industry exposure.



Fashion Ornamentation Workshop

16th Sep, 2025

AMHSSC, in collaboration with the Rotary Club of Bhandup, conducted a Fashion Ornamentation Workshop that trained women to create eco-friendly jewellery from waste materials, promoting sustainable livelihoods and self-reliance.



Pattern Making Workshop

20th Sep, 2025

AMHSSC conducted a Men's Apparel Pattern Making Workshop, providing fashion design students with practical training in pattern drafting, garment construction, and industry-relevant technical skills.



Strengthening India-UAE Economic Ties

21st Sep, 2025

Dr. A. Sakthivel, the then Chairman AMHSSC participated in high level meetings in the UAE to explore investment opportunities and strengthen economic collaboration, reinforcing India-UAE partnership for growth and development.



Promoting Sustainable Practices Through Natural Dye Workshop

29th Oct, 2025

AMHSSC's Centre of Excellence in Guwahati conducted a Natural Dye Workshop, introducing eco-friendly dyeing techniques and promoting sustainable textile practices among students.



Felicitation Ceremony Honouring the Hon'ble Vice President of India in Tirupur

29th Oct, 2025

The People's Forum of Tirupur hosted a Felicitation Ceremony on 29th October 2025 in honour of Shri C.P. Radhakrishnan, Hon'ble Vice President of India. Dr. A. Sakthivel, the then Chairman, AMHSSC delivered the sole address on behalf of all Textile Associations, the Apparel Industry, and the Tirupur District People's Forum. He highlighted the Vice President's remarkable milestones and their four-decade-long association, earning warm appreciation from His Highness and applause from all distinguished attendees.



New Zealand Minister Visits AMHSSC Centre of Excellence, Kandivali

17th Nov, 2025

The AMHSSC Centre of Excellence in Kandivali, Mumbai hosted HE Mr. Todd McClay, New Zealand's Minister for Trade and Investment, on 17 November 2025. His visit followed bilateral discussions with Shri Piyush Goyal Ji, aimed at strengthening economic ties and fostering collaboration in India's skilling ecosystem. Dr A. Sakthivel welcomed HE Mr. McClay and outlined AMHSSC's initiatives to empower women with market-relevant skills, including the upcoming Luxury Fashion and Lifestyle Consultant program inspired by Shri Goyal Ji's vision. HE Mr. McClay appreciated the innovative student work, digital adoption, and the impact of 'earn while you learn' opportunities showcased at the Luxury Lab.





AMHSSC Showcases Excellence at 19th National Jubilee Jamboree, Lucknow Short Summary

23rd Nov, 2025

At the 19th National Jubilee Jamboree in Lucknow, AMHSSC set up an impressive skill-focused stall, highlighting innovation, training excellence, and industry-ready capabilities. The setup successfully engaged participants and showcased AMHSSC's commitment to advancing India's skill ecosystem.





India Sends First-Ever Team to WorldSkills Asia 2025

24th Nov, 2025

India officially flagged off its first-ever contingent of 23 young competitors for WorldSkills Asia 2025 in Chinese Taipei. Led by Hon'ble Minister of State for Skill Development & Entrepreneurship, Shri Jayant Chaudhary, the ceremony celebrated their hard work and world-class preparation. Team India is ready to showcase its talent and raise the Tricolor on the global skills stage.



Celebrating Excellence in Apparel Export Ecosystem

20th Dec, 2025

The AEPC Excellence Honours, held in New Delhi and graced by the Hon'ble Vice President of India, recognized outstanding achievements in apparel exports. With the presence of Dr. A. Sakthivel, the event brought together industry leaders to celebrate innovation, sustainability, and excellence in the textile sector.



Training Centre Inaugurated in Sambalpur

5th Jan 2026

AMHSSC inaugurated a training center and launched the SET program in Sambalpur, Odisha, aimed at empowering women with industry-relevant skills and promoting sustainable livelihood opportunities. The event was graced by Smt Mridula Pradhan.



Production Development Internship Program Conducted

9th Jan, 2026

The Centre of Excellence, Coimbatore conducted an internship for 30 students of PSGR Krishnammal College for Women, providing hands on exposure to garment production, design, and industry practices.



"Cut to Pack" Training Videos Developed

11th Jan, 2026

AMHSSC, in collaboration with IIT Madras, developed garment making videos for men's wear, creating practical, industry aligned learning content to support skill training initiatives.



IndiaSkills Regional Competition – Guwahati

20th Jan, 2026

The Fashion Technology competition in Guwahati, guided by AMHSSC, provided hands-on learning and mentorship, helping participants enhance their skills and prepare for the national stage.



Strengthening Global Trade Opportunities

12th Feb 2026

Dr. A. Sakthivel, the then Chairman AMHSSC, along with industry leaders, held discussions with the Hon'ble Commerce Minister on FTAs, highlighting their role in boosting exports, generating employment, and enhancing global competitiveness of the textile sector.



IndiaSkills Regional Competition – Gandhinagar

18th Feb, 2026

The IndiaSkills West Regional Competition in Gandhinagar showcased outstanding talent in Fashion Technology, highlighting creativity, technical excellence, and the strength of India's skilling ecosystem.



IndiaSkills Regional Competition – Hyderabad

25th Feb, 2026

At IndiaSkills South in Hyderabad, participants showcased creativity and craftsmanship, reflecting innovation and the growing strength of skill development in Fashion Technology.



IndiaSkills Regional Competition – Bhubaneswar

3rd March, 2026

The Eastern Regional Round in Bhubaneswar showcased creativity and craftsmanship, with participants bringing their fashion concepts to life and advancing towards national and global platforms.



Mission Shakti Odisha

8th March, 2026

AMHSSC conducted a three-day skill development program for women SHG members, equipping them with sewing and garment-making skills to promote self-employment and sustainable livelihoods.



Mission Kaushal: Empowering Women Through Skills

12th March, 2026

Mission Kaushal, a CSR initiative of BSES, is enabling women to gain practical skills and explore self employment opportunities through structured training and certification support, promoting confidence and sustainable livelihoods.



IndiaSkills Regional Competition – Agra

14th March, 2026

At the IndiaSkills North Regional Competition in Agra, winners were felicitated by Shri Jayant Chaudhary, Hon'ble Minister of State (Independent Charge), Ministry of Skill Development & Entrepreneurship and Minister of State for Education, Government of India , highlighting emerging talent and AMHSSC's role in nurturing skill based excellence.



Centre of Excellence Inaugurated in Baghpat

19th March, 2026

The AI-enabled Chaudhary Ajit Singh Centre of Excellence in Baghpat was inaugurated by Shri Jayant Chaudhary, Hon'ble Minister of State (Independent Charge), MSDE, along with AMHSSC leadership, to empower youth with advanced, industry-relevant skills and promote innovation.



ITEES Singapore Visit to COE Mumbai

23rd March, 2026

AMHSSC hosted the ITEES Singapore team at its Centre of Excellence, Mumbai, where they reviewed the state of the art Luxury Retail Lab and explored collaborative opportunities. The visit strengthened international partnership efforts and focused on enhancing industry-aligned, globally relevant training programs.



SURPLUS

Your Council has a total income of **Rs. 11,063.05 Lakhs** & expenses of **Rs. 10,859.20 Lakhs**, resulting in excess of income over expenditure **Rs. 203.85 Lakhs**. During the year, the Gross Margin has decreased from 16.25 % to 13.86%. This has resulted due to low margin in the CSR Project and Other Training Projects as compared to margin in Assessment/ Certification Income in previous years.

AMOUNTS TRANSFERRED TO BE CARRIED TO RESERVE

Considering the adequacy of funds in Infrastructure fund (Rs. 1,699.28 Lakhs after utilization of Rs. 533.50 Lakhs for Purchase of Fixed Assets for newly Created COE Baghpat, & Creation of Luxury Fashion Lab in COE Mumbai during the FY 2025-26) no fresh transfer have been made to these funds during the year. The Total Operational Fund of Rs. 950.00 Lakhs, Transferred to Income & Expenditure accounts during the current financial year. The accumulated balance in Income & expenditure account amounted to Rs. 9,954.30 lakhs as at the close of the year. The accumulated Reserve & Surplus balance as on 31st March, 2026 amounted to Rs. 11,703.58 lakhs for all reserves considered together.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

No Material Changes or Commitments are done by the Board between 31st March 2026 and date of Board's Report that affects the Financial Position of the Company.

DIVIDEND

As your Council is a not-for-profit company, registered under section 25 of the Companies Act, 1956, corresponding to section 8 of the Companies Act 2013, distribution of dividend is prohibited under the Companies Act, 2013.

CHAIRMAN, DIRECTORS AND KEY MANANGERIAL PERSONNEL

Presently, the board of directors comprise of following directors:

DIN NO.	NAME OF THE DIRECTOR	DESIGNATION
00075391	Shri Premal Udani	Chairman
00073331	Shri Virender Uppal	Director
00027485	Dr. A. Sakthivel	Director
00446351	Shri Ankur Gadia	Nominee Director CMAI
03294193	Shri R. Ramu	Director
00230702	Shri Ramesh Agarwal	Director
01656811	Shri K.Sakthivel	Director
00705563	Shri HKL Magu	Nominee Director AEPC
00007179	Shri Rajesh Ramesh Mandawewala	Director
01891666	Shri Lalit Thukral	Director
02611408	Shri Sundaramurthy	Director
08899492	Shri Sanjeeva Singh	Nominee Director NSDC
11576241	Dr. Archana Gandhi	Nominee Director NIFT
00077379	Shri Rakesh Vaid	Director
11235845	Shri Ashish Srivastava	CEO cum Director

DIRECTOR OR KEY MANAGERIAL PERSONNEL, APPOINTED AND RESIGNED DURING THE YEAR

S.No	Name	Status
1.	Mr. Virender Uppal	Re-appointed
2.	Mr. Premal Udani	Re-appointed
3.	Mr. Ashish Srivastava	Appointed as CEO cum Director
4.	Mr. Dnyaneshwar Manohar Mulay	Ceased
5.	Mr. Varun Batra	Appointed as Nominee Director
6.	Mr. Archana Gandhi	Appointed as Nominee Director
7.	Mr. HKL Magu	Appointed as Nominee Director

BOARD MEETINGS

S. No.	DATES	DIRECTORS' PRESENT
1.	29/07/2025	• Dr. A Sakthivel, Chairman • Mr. Virender Uppal, Director • Mr. R. Ramu, Director • Mr. Rajkumar Ramasamy, Director • Mr. Dnyaneshwar Manohar Mulay, Nominee Director-NSDC • Mr. Premal H. Udani, Director • Mr. Vijay Kumar Agarwal, Director • Mr. Sudhir Sekhri, Nominee Director-AEPC
2.	12/12/2025	• Dr. A Sakthivel, Chairman • Mr. Virender Uppal, Director • Mr. R. Ramu, Director • Mr. Rajkumar Ramasamy, Director • Mr. Varun Batra, Nominee Director-NSDC (Through Video Conferencing) • Mr. Premal H. Udani, Director • Mr. Vijay Kumar Agarwal, Director • Mr. Naveen Todi, Director • Mr. Rakesh Vaid, Director • Mr. Palanisamy Sudhakar, Director • Mr. Sudhir Sekhri, Nominee Director-AEPC • Mr. Ashish Srivastava, Director cum CEO

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information and explanations obtained & pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility statement, your directors state that:

1. In the preparation of the annual accounts of the Council for the year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any; meanwhile no material departure has been noticed.
2. Such accounting policies as mentioned in notes to the financial statement have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the council as at March 31, 2026 and of the excess of income over expenditure of the council for the year on that date.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Council and for preventing & detecting frauds and other irregularities.
4. The annual accounts have been prepared on a going concern basis.
5. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with the applicable Rules framed thereunder, the Annual Return of the Company for the financial year ended 31st March, 2026 is available on the website of the Company at the following web link: www.sscamh.com

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There is no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Council and its future operation.

DETAILS IN RESPECT OF FRAUDS UNDER SECTION 143 (12) OF THE COMPANIES ACT, 2013

The Statutory Auditors in their audit report for the financial year ended on 31.03.2026 have not reported any fraud covered under sub section 12 of Section 143 of the Companies Act, 2013.

AUDITORS & AUDITORS REPORT

M/s, Khanna & Annadhanam Chartered Accountants, (FRN. 001297N) were appointed as statutory auditors of the Council at 12th Annual General Meeting of the AMHSSC to hold the office upto the conclusion of the 16th AGM of the Company to be held in the year 2030.

QUALIFICATION, RESERVATION OR ADVERSE REMARK OF THE AUDITOR

The Statutory Auditors have not expressed any qualified opinion or adverse observation in their Audit Report. However, certain observations have been made, and the management's responses thereto are given below:"

A. Responses to the Disclaimer of Opinion

1. **Auditor's Observation:** The Company has developed Standard Operating Procedures (SOPs) for some of the critical functions along with the corresponding internal control procedures including Risk Control Matrices (RCMs) only for part of the year. Though these became effective in the last quarter of the year in draft form, key risk-to-control mappings, control ownership, frequencies, and testing protocols remained unestablished for the rest of the year. In view of this, the auditor is unable to comment upon the adequacy of internal controls and their operating effectiveness for the entire period.

   Management's Response and Action Plan: Management assures that internal controls were in place and being followed across all critical functions throughout FY 25-26, even before the SOPs and RCMs were formally documented. Although, the formal documentation was completed only during the year, the actual control practices, approvals, and processes were already being followed as part of the Company's normal way of working. This is also supported by Internal Audit's testing in the last quarter, which found only a few minor points, with no major observations. Based on this, Management assures that the controls were in place throughout the year, and the documented SOP/ RCMs are now in place to keep them consistent going forward.

2. **Auditor's Observation:** The internal audit reporting (on a quarterly basis) was found to have significant limitations in the scope and execution of audit procedures for a large part of the year that preclude the auditor from providing a reasonable assurance opinion. Reporting on the adequacy of internal controls, testing of Risk and Control Matrices,

and other key high-risk areas such as revenue reconciliation, vendor invoice processing, review of the various software in use, and human resource processing/compliances appear not to have been covered within the scope of work and audit plan.

Management's Response and Action Plan: Management confirms that Internal Audit performed testing throughout FY 25-26. However, since the SOPs and RCMs were finalized only in the last quarter of the year, testing for the earlier part of the year could not be carried out against a formal, documented control framework. For the last quarter, testing was performed based on the finalized RCMs, with no significant deficiencies noted. For FY 26-27, since SOPs and RCMs are now finalized, Management will issue a detailed, process-wise Internal Audit scope covering all departments, including high-risk areas such as revenue reconciliation, vendor invoice processing, IT/software review, and HR compliance. Internal Audit testing will be conducted against this formal RCM framework on a quarterly basis throughout the year.

B. Responses to the Emphasis of Matter

1. **Auditor's Observation:** The Company currently uses an automation software for controlling certain operational processes and ascertaining the revenue and costs for individual batches. The reconciliation of revenues and expenses arising from respective batches conducted and/or completed during the year with the operational records maintained through this software needs to be streamlined and strengthened to ensure the completeness of integration of operational and financial records for all activities. The agreement (executed more than five years ago) with the service provider also needs to be revisited in respect of its scope of work/deliverables to ascertain its utility, usefulness, and financial viability (Refer Note No. 18 B(10)).

   Management's Response and Action Plan: As part of our continuous improvement of financial controls, Management had already initiated a review of the reconciliation process between operational and financial records earlier this year. Management is now setting up a proper, regular process to match the operational data from this software with the Company's financial records, so that revenues and expenses are captured completely and correctly. Separately, since the agreement with the service provider is over five years old, Management is also reviewing it to check if it still fits the Company's current needs and offers good value for money. Management does not see this as a concern with the accuracy of this year's financial statements, and is confident this matter will be fully resolved soon.

2. **Auditor's Observation:** The process of obtaining confirmation for balances payable to vendors and recoverable from trade receivables has been initiated, along with completion of the reconciliation of accounts. During the year, an amount of Rs. 579.61 lakhs (previous year Rs. 130.86 lakhs) has been written off as bad debts on evaluation of various trade receivables and ascertaining the probability of their realisation. Corresponding to this write-off, an amount of Rs. 243.81 lakhs have been treated as not payable and hence written back. Management expects no significant difference to be observed on completion of the said reconciliation, beyond the amounts already written off. As a matter of abundant precaution, Management has also enhanced the provision for doubtful debts

by Rs. 25.30 lakhs to Rs. 245.77 lakhs (previous year Rs. 220.48 lakhs), against total trade receivables of Rs. 4,915.48 lakhs (previous year Rs. 4,409.51 lakhs), being maintained at 5% of receivables as at the close of the year (Refer Note No. 18(B)(11)).

Management's Response and Action Plan: Management confirms that the process of obtaining balance confirmations from vendors (payables) and trade receivables, along with reconciliation of accounts, has been initiated during the year. Based on evaluation of various trade receivables and assessment of their probability of realisation, an amount of Rs. 579.61 lakhs (previous year Rs. 130.86 lakhs) has been written off as bad debts, with a corresponding amount of Rs. 243.81 lakhs relating to payables assessed as no longer payable and accordingly written back. Management expects no other significant differences to arise upon completion of the ongoing reconciliation, beyond the amounts already written off. As a matter of abundant caution, the provision for doubtful debts has also been enhanced by Rs. 25.30 lakhs to Rs. 245.77 lakhs (previous year Rs. 220.48 lakhs), maintained at 5% of total trade receivables of Rs. 4,915.48 lakhs (previous year Rs. 4,409.51 lakhs), as at the close of the year.

3. **Auditor's Observation:** Certain trade payables having incomplete compliances on account of inadequate documentation/invoices have been recorded in the books of account on a provisional basis, for adherence to the matching concept of accounting and compliance with Tax Deducted at Source (TDS) regulations. These provisional liabilities have been grouped under trade payables without assigning any ageing factor. Management contends that ageing has not been done as these are recorded only on a provisional basis. This practice, though adopted for compliance reasons, needs to be streamlined and completed in a timely manner. In the absence of ageing for such provisions, the ageing of trade payables does not depict a true picture (Refer Note No. 18(B)(12a)).

   Management's Response and Action Plan: Management acknowledges that certain trade payables have been recorded on a provisional basis, primarily to ensure timely recognition of liabilities in line with the matching principle and tax compliance requirements. The practice was adopted to avoid any understatement of expenses or liabilities in cases where invoices were pending receipt or verification at the close of the reporting period. Management contends that this practice does not materially misstate the overall liability position of the Company. However, to streamline the process, the Company has initiated steps to complete ageing analysis periodically, including for provisionally recorded payables, to ensure a more accurate and transparent presentation.

4. **Auditor's Observation:** No interest liability to Micro and Small Enterprises (MSEs) as defined in the MSMED Act, 2006 has been provided for/paid against delayed payments to concerned vendors. Based on a legal opinion regarding the non-applicability of the MSME Act to MOUs between the Council and TPs/ABs, Management contends that, considering the nature of operations of the Company, no such liability shall arise, as the policy warrants payment to be released only after recovery of dues from the respective State Mission and training partners (Refer Note No. 18(B)(12b)). The auditor has taken cognisance of the opinion and has hence not commented on the relevant provisions of applicability of the MSME Act.

Management's Response and Action Plan: Management has obtained a legal opinion confirming that the provisions of the MSMED Act, 2006 are not applicable to the MOUs entered into between the Council and Training Partners/Assessment Bodies (TPs/ABs), given the specific nature of these arrangements. As per the Company's payment policy, disbursements to TPs/ABs are released only after recovery of corresponding dues from the respective State Missions, and payments are inherently linked to and contingent upon such recovery. Accordingly, Management is of the view that no interest liability arises under the MSMED Act in respect of these payments. This position has been taken into account, and no provision for interest has been made in this regard.

5. **Auditor's Observation:** Various locations of the Centre of Excellence are pending for registration/intimation with the GST Department, though some of these have started carrying on operational activities. The pendency is on account of documentation sought by the Department. Management is taking necessary steps to complete the registration and does not expect any significant liability to arise on the Company for this deficiency (Refer Note No. 18(B)(14)(b)).

   Management's Response and Action Plan: Management confirms that the process of obtaining GST registration for the various locations of the Centre of Excellence has already been initiated. The pendency in registration is primarily on account of certain documentation requirements sought by the GST Department, which the Company is actively working to complete. While some of these locations have commenced operational activities, Management does not expect any significant liability to arise on the Company on account of this delay, and continues to pursue timely completion of the registration process.

C. Response to Report on Other Legal and Regulatory Requirements

1. **Auditor's Observation:** Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, which mandates the maintenance of books of account using accounting software that includes a feature of recording audit trail (edit log), effective from April 1, 2023, the auditor examined the Company's compliance for the financial year ended March 31, 2026. Based on examination, including test checks, it was observed that the audit trail (edit log) function has been activated and used by the Company for part of the year only. In regard to third-party software, no confirmation regarding implementation of audit trail is available on record. The review of the audit trail also revealed a large number of alterations made in the books of account. Management contends that the alterations were necessitated by minor modifications and to avoid multiple entries in respect of any particular transaction. The auditor is, however, unable to offer any comments in this regard.

   Management's Response and Action Plan: Management confirms that the audit trail (edit log) feature was enabled and used in the Company's accounting software during the year, though not for the entire financial year. Steps have been taken to ensure the feature remains enabled on a continuous basis going forward. With respect to third-party software used by the Company, Management is in the process of obtaining written confirmation from the respective vendors regarding the availability and operation of the audit trail feature, and will maintain this on record. Regarding the alterations observed in the books

of account, Management clarifies that these primarily pertain to minor corrections and consolidation of entries to avoid duplicate recording of the same transaction, and do not represent any unauthorized or irregular changes to the financial records.

SHARE CAPITAL

The Council is registered under section 25 of the Companies Act, 1956, corresponding to section 8 of the Companies Act 2013 having no share capital and the liability of the member is limited by guarantee.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year under review, the Council has not provided any loan or guarantee, furnished any security, or made any investment requiring disclosure under the provisions of Section 186 of the Companies Act, 2013. Accordingly, no particulars are required to be disclosed under this section.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There have been no material changes and commitments that have occurred after close of the financial year and till the date of report, which affect the financial position of the Council.

SUBSIDIARY AND ASSOCIATE COMPANIES

The council does not have any subsidiary or associate company; neither it has entered into any Joint Venture.

DEPOSITS

During the financial year under review, the Council has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, there were no deposits outstanding as on 31st March, 2026.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

Conservation Of Energy

Though the operations of the Council are not energy intensive, the Council takes adequate measures to reduce energy consumption by using energy-efficient lightning in office, computer systems and procuring energy-efficient equipment's. As an on-going process, the Council continuously evaluates new technologies and techniques to make infrastructure more energy efficient.

Since, the Council does not carry out any manufacturing activity, the particulars regarding conservation of energy, technology absorption and other particulars as required by the Companies (Accounts) Rules, 2014 are not applicable.

Technology Absorption

As the Council is Section-8 and not directly involved in any manufacturing activity, moreover your Council is not directly involved in any Research and Development activities. The Council has continued to maintain focus and avail of export opportunities based on economic considerations.

Foreign Exchange Earnings and Outgo

Particulars	2025-26	2024-25
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	95.19 Lakhs	Rs. 4.90 Lakhs

INTERNAL FINANCIAL CONTROLS

The Council has established internal financial controls commensurate with the size, scale and nature of its operations. During the year, the Council continued to strengthen its internal control framework through the development and documentation of Standard Operating Procedures (SOPs) and Risk Control Matrices (RCMs) for key processes.

The internal control systems are subject to periodic review and strengthening. Based on the observations of the Statutory Auditors and Internal Auditors, the Council has initiated appropriate corrective measures to further strengthen the internal financial control framework, including formalisation of control processes, identification of control owners and periodic testing of key controls.

MAINTENANCE OF COST RECORDS

The council does not fall under the purview of Sec 148(1) of the Companies Act, 2013, therefore maintenance of cost records as specified by CG is not applicable for the council.

MANAGERIAL REMUNERATION

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no Director/KMP was in receipt of Remuneration in FY 25-26 except paid to Mr. Ashish Srivastava and the same is within the limits as prescribed under the act.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form **AOC- 2 as ANNEXURE– II.**

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

Appointment of Independent Directors by the Company is not mandatory under the Act and thus, the provisions as required under Section 149 of the Act are not applicable.

FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES & INDIVIDUAL DIRECTORS

The Board of Directors have evaluated the performance of all the Directors and its Committees. The Board deliberated on various evaluation attributes for all directors and after due deliberations made an objective assessment and evaluated that all the directors in the Board have adequate expertise drawn from diverse industries and business and bring specific competencies relevant to the Company's business and operations. The Board found that the performance of all the Directors was quite satisfactory.

The Board also noted that the term of reference and composition of the Committees was clearly defined. The Committee performed their duties diligently and contributed effectively to the decisions of the Board.The functioning of the Board and its committees were quite effective. The Board evaluated its performance as a whole and was satisfied with its performance and composition.

PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

DIFFERENCE IN VALUATION

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

RISK MANAGEMENT POLICY

Risk Management Policy has been framed according to the needs of the organization and is reviewed every year to ensure that it meets the requirements of legislation & the needs of organization.

SEXUAL HARASSMENT POLICY

The Council has zero tolerance towards sexual harassment at the workplace, and accordingly adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment. During the financial year under review, the Council has not received any complaints of sexual harassment from any employees of the Council.

MATERNITY BENEFIT

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Council has spent **Rs. 22.66 lakh** for CSR Expenditure in accordance with Section 135 of Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as **Annexure I.**

APPRECIATIONS AND ACKNOWLEDGEMENT

Our directors thank the council's customers and bankers for their continued support during the year. Our directors place on records their appreciation of the contribution made by employees at all levels, who, through their competence, hard work, solidarity cooperation and support, have enabled the Council to achieve consistent growth.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF

APPAREL MADE-UPS AND HOME FURNISHING SECTOR SKILL COUNCIL

Premal Udani
(Chairman)
DIN: 00075391

Place: New Delhi
Date: 27-08-2026

ANNEXURE I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FY 2025-26 (Annexure-I)

Details about the policy developed and implemented by the company

1. **A brief outline of the company's CSR policy,** including overview of projects or programs proposed to be undertaken. The Company has framed CSR policy in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

   The CSR Policy was approved by the Board of Directors on 19.07.2019. The same is placed on the company's website and the web link for the same is http://sscamh.com/.

2. **The Composition of CSR Committee is as follows:**

   A) Mr. Premal Udani (Chairman)

   B) Dr. A. Sakthivel

   C) Mr. Virender Uppal

3. **The average net profit (as per section 198 of the Companies Act, 2013) of the Council for last three financial years:**

   The council was required to spend as under which was 2% of the average surplus of the immediately preceding three financial years of the council on CSR activities:

Sl. No.	Financial Year	Amount (Rs)
1	2022-23	8,45,45,726
2	2023-24	16,96,86,996*
3	2024-25	8,64,65,880
Total – A		**34,06,98,602**
Average Net Profit – (A/3)		**11,35,66,201**

   * The net profit for the financial year 2023-24 has been revised for the purpose of CSR computation in accordance with the applicable provisions of Section 198 of the Companies Act, 2013, pursuant to the adjustment arising from the tax calculation.

4. **Prescribed CSR Expenditure (2% of 'average net profit' as in Item No. 3 above):**

   The council was required to spend as under which was 2% of the average surplus of the immediately preceding three financial years of the council on CSR activities:

S. No	Financial Year	Amount (Rs)
1	CSR Unspent from FY24-25	Nil
Total CSR amount available for FY 2025-26		**Rs. 22,71,324/-**

5. **Details of CSR spent during the financial year;**
   a. Total amount to be spent for the financial year: **Rs. 21,96,590 /- (After adjusting the amount of Rs. 74,734/- paid excess last year)**
   b. Amount Excess paid, if any: **Rs.69,892 /-**
   c. Manner in which the amount spent during the financial year is detailed below:

S.No.	CSR Project or Activities identified	Sector in which the Project is covered	Projects or Programs (1) Local areas or others	Amount Outlay	Amount spent on the Project	Cumulative Expenditure upto the Reporting	Amount spent Direct or through agency
1.	PR Sarkar Charitable Foundation			22,66,482	22,66,482	-	Agency

6. The Council had spent an Amount of INR 22,66,482 on CSR activities during the financial year 2025-26. The amount of Rs.69,892/- was spent in excess in FY 25-26.
7. The Board's hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the council.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF

APPAREL MADE-UPS AND HOME FURNISHING SECTOR SKILL COUNCIL

Premal Udani
(Chairman)
DIN: 00075391

Place: New Delhi
Date: 27-08-2026

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020 (Annexure-II)

1. Brief outline on CSR Policy of the Company: The Company has framed CSR policy in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.
2. Composition of CSR Committee:
   - Mr. Premal Udani (Chairman)
   - Dr. A. Sakthivel
   - Mr. Virender Uppal
3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.sscamh.com
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **N.A.**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	FY 25-26	74,734/-	NA
Total			

6. Average net profit of the company as per section 135(5): **INR. 11,35,66,201 /-**
7. (a) Two percent of average net profit of the company as per section 135(5): **INR 22,71,324/-** -

   (b) Surplus arising out of the CSR projects or programmers or activities of the previous financial years: **Nil**.

   (c) Amount required to be set off for the financial year, if any: **INR 74,734/-**

   (d) Total CSR obligation for the financial year (7a+7b-7c): **INR 21,96,590 /-**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
22,66,482	Nil	-	-	Nil	-

(b) Details of CSR amount spent against ongoing projects for the financial year: N.A.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project	Project duration	Amount allocate for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section135(6) (in Rs.).	Mode of Implementation- Direct (Yes/No).	Mode of Implementation -Through Implementing Agency		
			State							District.	Name	CSR No.
1.	-	-	-	-	-	-	-	-	-	-	-	-
Total												

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation- Direct (Yes/No).	Mode of implementation- Through implementing agency.	
				State	District				
								Name.	CSR No.
1	-	-	-	-	-	-	-	-	-
	Total								

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **N.A.**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **INR Nil**

(g) Excess amount for set off, if any: **N.A.**

S. No.	Particular	Amount (in Rs.)
i.	Two percent of average net profit of the company as per section135(5)	
ii.	Total amount spent for the Financial Year	
iii.	Excess amount spent for the financial year [(ii)-(i)]	
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)(in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of Transfer	
1.	2023-24	6,94,395	17,53,874	-	-	-	-
2.	2024-25	-	30,00,000	-	-	-	-
3.	2025-26	-	22,66,482	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **N.A.**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount Spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	
1	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **N.A.**

(Asset-wise details)

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

(Chief Executive Officer or Managing Director or Director)	**(Chairman CSR Committee)**	**[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable)**

ANNEXURE II

FORM AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arm's length Transaction under their proviso thereof.

1. **Details of contracts or arrangements or transactions not at arm's length basis.**

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**NIL**
(b)	NATURE OF CONTRACT & ARRANGEMENT	**NIL**
(c)	DURATION OF CONTRACT & ARRANGEMENT	**NIL**
(d)	SALIENT TERMS OF CONTRACT & ARRANGEMENT	**NIL**
(e)	JUSTIFICATION FOR ENTERING INTO SUCH CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS	**NIL**
(f)	DATE OF APPROVAL BY THE BOARD	**NIL**
(g)	AMOUNT PAID AS ADVANCES, IF ANY	**NIL**
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	**NIL**

2. **Details of contracts or arrangements or transactions at arm's length basis.**

A. Apparel Export Promotion Council

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**Apparel Export Promotion Council**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**Training & Assessment Charges**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**Op Bal-Rs 45,589(Dr)** **Transaction During the year- Rs.22,589(Cr)** **Closing Balance** **Rs. 23000 (Dr.)**
(f)	DATE OF APPROVAL BY THE BOARD	-

(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

B. The Apparel Training and Design Center

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**The Apparel Training and Design Centre**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**Training & Assessment Charges**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**Op-Rs.31,37,006(Dr)** **Transaction During the year-Rs. 14,90,213(Cr)** **Closing Balance(Dr.)** **Rs.16,46,793 (Dr.)**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

C. The Garments Exporters & Manufactures Association (GEMA)

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**The Garments Exporters & Manufactures Association**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**Training & Assessment Charges**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/TRANSACTION INCLUDING VALUE ,IF ANY	**Op. Bal-Rs.21,600(Dr)** **Transaction during the year-Rs.3,00,708(Cr)** **Closing Balance Rs. 2,79,108 (Cr.)**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

D. The India Knit Fair Association

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**The India Knit Fair Association**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**Rent Paid**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**Op Bal- Nil** **Transaction during the year- Nil** **Closing Bal- Nil**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

E. The National Institute of Fashion Technology (NIFT)

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**The National Institute of Fashion Technology**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**World Skill Training (Expenditure)**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**Op. Bal- 1,85,002 (CR)** **Transaction during the year- Rs.185,002 (DR.)** **Closing Bal-Rs. Nil**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

F. Poppys Tours Pvt. Ltd

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**The Poppys Tour Pvt. Ltd.**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**Tour & Travels (Expenditure)**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-

(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**Op Bal-Rs.85,632(Cr)** **Transaction during the year- Rs. 24,889 (Cr.)** **Closing Bal- Rs.1,10,521 (Cr)**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

G. Poppys Knit Wear Pvt. Ltd.

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**Poppys Knit Wear Pvt. Ltd.**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**Subscription Fees**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**Op Bal-Nil** **Transaction during the year- Rs. 1,180 (DR/CR)** **Closing Bal- Rs. Nil**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

H. Shahi Exports Pvt. Ltd

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**The Shahi Exports Pvt. Ltd.**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**Training & Assessment Charges**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**OP Bal-17,33,898(Dr)** **Transaction during the year- Rs. 5,75,336 (Cr.)** **Closing Bal- 11,58,562(Dr)**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

I. PR Sarkar Charitable Foundation

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**PR Sarkar Charitable Foundation.**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**CSR Contribution**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**Op Bal-Nil** **Transaction during the year- Rs. 22,66,482 (DR/Cr.)** **Closing Bal- Nil**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

J. Director Remuneration

(a)	NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	**Mr Ashish Srivastava (CEO)**
(b)	NATURE OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	**Remuneration**
(c)	DURATION OF CONTRACTS /ARRANGEMENTS/ TRANSACTION	-
(d)	SALIENT TERMS OF CONTRACT/ ARRANGEMENT/ TRANSACTION INCLUDING VALUE ,IF ANY	**Rs. 41.56 Lakhs**
(f)	DATE OF APPROVAL BY THE BOARD	-
(g)	AMOUNT PAID AS ADVANCES,IF ANY	-
(h)	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188	-

Premal Udani
(Chairman)
DIN: 00075391

Place: New Delhi
Date: 27-08-2026



INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

KHANNA & ANNADHANAM
CHARTERED ACCOUNTANTS
GSTIN No.: 07AAAFK1558R1ZW

INDEPENDENT AUDITOR'S REPORT

To the Members of "Apparel Made-Ups & Home Furnishing Sector Skill Council"

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Apparel Made-Ups & Home Furnishing Sector Skill Council ("the Company"), which comprise the Balance Sheet as at 31st March, 2026 the Statement of Income and Expenditure, and the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 company as at 31st March 2026, its surplus, and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter:

Without qualifying, we draw attention to following:

(i) The company currently uses an automation software for controlling certain operational processes and ascertaining the revenue and costs for individual batches. The reconciliation of revenues and expenses arising from respective batches conducted and/or completed during the year with the operational records maintained through this software needs to be streamlined and strengthened for ensuring the completeness of the integration of operational and financial records for all activities. In order to ensure the completeness and correctness of the revenues, expenses and balances recorded in the financial statements in accordance with the applicable accounting principles through this platform, the agreement (executed more than five years ago) with the service provider also needs to be revisited in respect of its scope of work/ deliverable to ascertain its utility, usefulness and financial viability [Refer Note No. 18(B)(10)].

A-17, BASEMENT, LAJPAT NAGAR PART III, NEW DELHI-110024
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Khanna & Annadhanam

(ii) ***The process of obtaining the confirmation for the balance payables to vendors and recoverable from trade receivable has been initiated along with completion of the reconciliation of accounts. During the year amount of Rs.579.61 lakhs (Previous year Rs.130.86 lakhs) has been written off as bad debts on evaluation of various trade receivables and ascertaining the probability of their realisation. Corresponding to this write- off amount of Rs. 243.81 lakhs have been treated to be not payable and hence has been written back. The management expects that in addition to the amounts written off, there would not be any significant difference observed on completion of the said reconciliation. However, as a matter of abundant precaution the management has also enhanced the provision of doubtful debts by Rs. 25.29 lakhs to Rs. 245.77 lakhs in this year from Rs.220.48 lakhs against the total trade receivables of Rs. 4,915.47 lakhs (previous year - Rs.4,409.52 lakhs) being maintained at 5% of receivables as at the close of the year [Refer note no.18(B)(11)].***

(iii) ***Certain trade payables having incomplete compliances on account of inadequate documentation/invoices have been recorded in books of account on provisional basis for adherence to the matching concept of accounting and compliance with Tax Deducted at Source (TDS) regulations These provisional liabilities have been grouped under trade payables without assigning any ageing factor to this. The management contends that the ageing has not been done as these are recorded only on a provisional basis. This practice, though conducted for compliance reasons, needs to be streamlined and completed in a timely manner. In absence of any ageing available for such provisions, the ageing of the trade payable does not depict a right picture [Refer note 18(B)(12a)].***

(iv) ***No interest liability to Micro and Small Enterprises (MSEs) as defined in the MSMED Act 2006 has been provided for/ paid against the delayed payments to concerned vendors. Based on a legal opinion that mentions of non-applicability of MSME Act on to MOUs between Council and TPs/Abs, the management contends that considering the nature of operation of the company, no such liability shall arise as the policy warrants the payment to be released only after recovery of dues from the respective state mission and training partners. [Refer note no.18(B)(12b)]. We have taken into cognisance the opinion and hence not commented on the relevant provisions of applicability of MSME Act.***

(v) ***Various locations of Centre of Excellence are pending for registration/intimation with the GST Department though some these have started carrying on the operational activities. The pendency is on account of submission of documentation sought for by the department. The Management is taking necessary step to complete the registration and does not expect any significant liability arising on company for this deficiency [Refer note. 18(B)(14b)]***

Our opinion is however not modified in regard to the above.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and

Khanna & Annadhanam

Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company 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 Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the entity's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the entity.

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

Khanna & Annadhanam

- 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 misstatements in financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on other legal and regulatory requirements

1. This report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditors Report) Order 2016 (the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, since in our opinion and

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according to the information and explanations given to us, being a section 8 company, the said order is not applicable to the company.

2. As required by section 143(3) of the Act we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) ***In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(g)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.***

c) The Balance Sheet, Statement of Income and Expenditure and Cash Flow Statement, dealt with by this report are in agreement with the books of account.

d) In our opinion the aforesaid financial statements comply with the Accounting Standards specified u/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

e) On the basis of the written representations received from the members of the Board of Directors, and taken on record by the Board, none of the members is disqualified from being appointed as Director in terms of section 164(2) of the Act.

f) ***With respect to the adequacy of Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A".***

g) With respect to the matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The company does not have any pending litigations which would impact its financial position; except to the extent as disclosed in note 18(B)(1).

(ii) The Company does not have any long- term contracts including derivatives contracts, as such the question of commenting on material foreseeable losses thereon does not arise;

(iii) There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.

(iv) The management has represented that, to the best of its knowledge and belief:

a. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly

Khanna & Annadhanam

or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b. No funds have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of the Rule (e), as provided under (a) and (b), contain any material misstatement.

(v) The company being a Not-for-Profit Company registered under Section 8 of the Companies Act, 2013 cannot declare dividends. Thus, the provisions relating to dividend are not applicable.

(vi) Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, which mandates the maintenance of books of account using accounting software that includes a feature of recording audit trail (edit log) facility effective from April 1, 2023, we have examined the Company's compliance for the financial year ended March 31, 2026. Based on our examination, including test checks, we observed that the compliance in regard to audit trail (edit log) function has been activated and being used by the company for part of the year. In regard to third party software, no confirmation regarding implementation of audit trail is available on records. The review of audit trail revealed a large number of alterations being made in books of account. The Management contends that the alteration necessitated due to minor modification and also to avoid multiple entries in respect of any particular transaction. We are however unable to offer any comments in this regard.

For Khanna & Annadhanam
Chartered Accountants
(Regn. No. 001297N)

Deepak Kumar Mahajan
(Partner)
M. No.: 091530
Place: New Delhi
Date: 27th August, 2026
UDIN: 26091530OROSBT3080

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF APPAREL MADE-UPS & HOME FURNISHING SECTOR SKILL COUNCIL

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls over financial reporting of Apparel Made-Ups & Home Furnishing Sector Skill Council ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my/our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Because of the matter described in the Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Khanna & Annadhanam

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2026.

Basis of Disclaimer of Opinion

(i) The Company has developed Standard Operating Procedures (SOPs) for some of the critical functions along with the corresponding internal control procedures including Risk Control Matrices (RCMs) only for part of the year. Though these became effective in last quarter of the year in draft form, their absence i.e. key risk-to-control mappings, control ownership, frequencies, and testing protocols remain unestablished in rest of the year. In view of this, we are unable to comment upon the adequacy of internal controls and their operating effectiveness for the entire period.

(ii) The internal audit reporting (on quarterly basis) was found to be having significant limitations in the scope and execution of audit procedures for large part of the year that preclude us from providing a reasonable assurance opinion. Reporting on adequacy of internal controls, testing of Risk and control matrices and other key high-risk areas such as revenue reconciliation, vendor invoice processing, testing of Risk and control Matrices, review of the various software in use and human resource processing/ compliances appear to be not covered from the scope of work and audit plan.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For Khanna & Annadhanam
Chartered Accountants
(Regn. No. 001297N)

Deepak Kumar Mahajan
Partner
M. No.: 091530
Place: New Delhi
Date: 27TH August, 2026
UDIN: 26091530OROSBT3080


APPAREL MADE-UPS & HOME FURNISHING
SECTOR SKILL COUNCIL
BALANCE
SHEET

M/S Apparel Made Ups & Home Furnishing Sector Skill Council
Flat No. A-312 to A-323, 3rd Floor,Somdatt Chamber-1,
Bhikaji Cama Place,Africa Avenue, New Delhi-110066

BALANCE SHEET AS AT 31ST MARCH, 2026

	Particulars	Note No.	₹ in "Lakhs" Consolidated			
			As At 31st March 2026		As At 31st March 2025	
	EQUITY AND LIABILITIES					
(1)	**CORPUS FUNDS**					
(a)	Corpus Fund	1		-		-
(b)	Reserve & Surplus	2		**11,703.58**		11,499.74
(2)	**NON-CURRENT LIABILITIES**					
(a)	Long Term Provisions	3		**186.08**		102.15
(3)	**CURRENT LIABILITIES**					
(a)	Trade Payables					
	(A) Total outstanding due to MSME	4	-		-	
	(B) Total outstanding due of creditors other than MSME	4	3,606.58		3,179.60	
(b)	Other Current Liabilities	5	723.46		410.79	
(c)	Short Term Provisions	6	43.40	**4,373.44**	20.47	**3,610.86**
	Total			**16,263.10**		**15,212.75**
	ASSETS					
(1)	**NON CURRENT ASSETS**					
(a)	Property, Plant and Equipment and Intangible Assets					
	(i) Property, Plant and Equipment	7	1,499.02		1,160.54	
	(ii) Intangible Assets	7	-	**1,499.02**	-	1,160.54
(b)	Long Term Loans & Advances	8		**85.27**		70.97
(2)	**CURRENT ASSETS**					
(a)	Trade Receivables	9	4,669.70		4,189.05	
(b)	Cash & Bank Balances	10	8,123.94		8,303.97	
(c)	Short Term Loans & Advances	11	1,770.05		1,406.59	
(d)	Other Current Assets	12	115.12	**14,678.81**	81.63	13,981.24
	Total			**16,263.10**		**15,212.75**

Significant Accounting Policies and other notes to accounts **18**
Notes 1 to 18 form an integral part of the Accounts

As per our report of even date

For Khanna & Annadhanam
(Chartered Accountant)
FRN No.: 001297N

For Apparel Made Ups & Home Furnishing Sector Skill Council

Mr. Deepak Kumar Mahajan
(Partner)
M. No. 091530

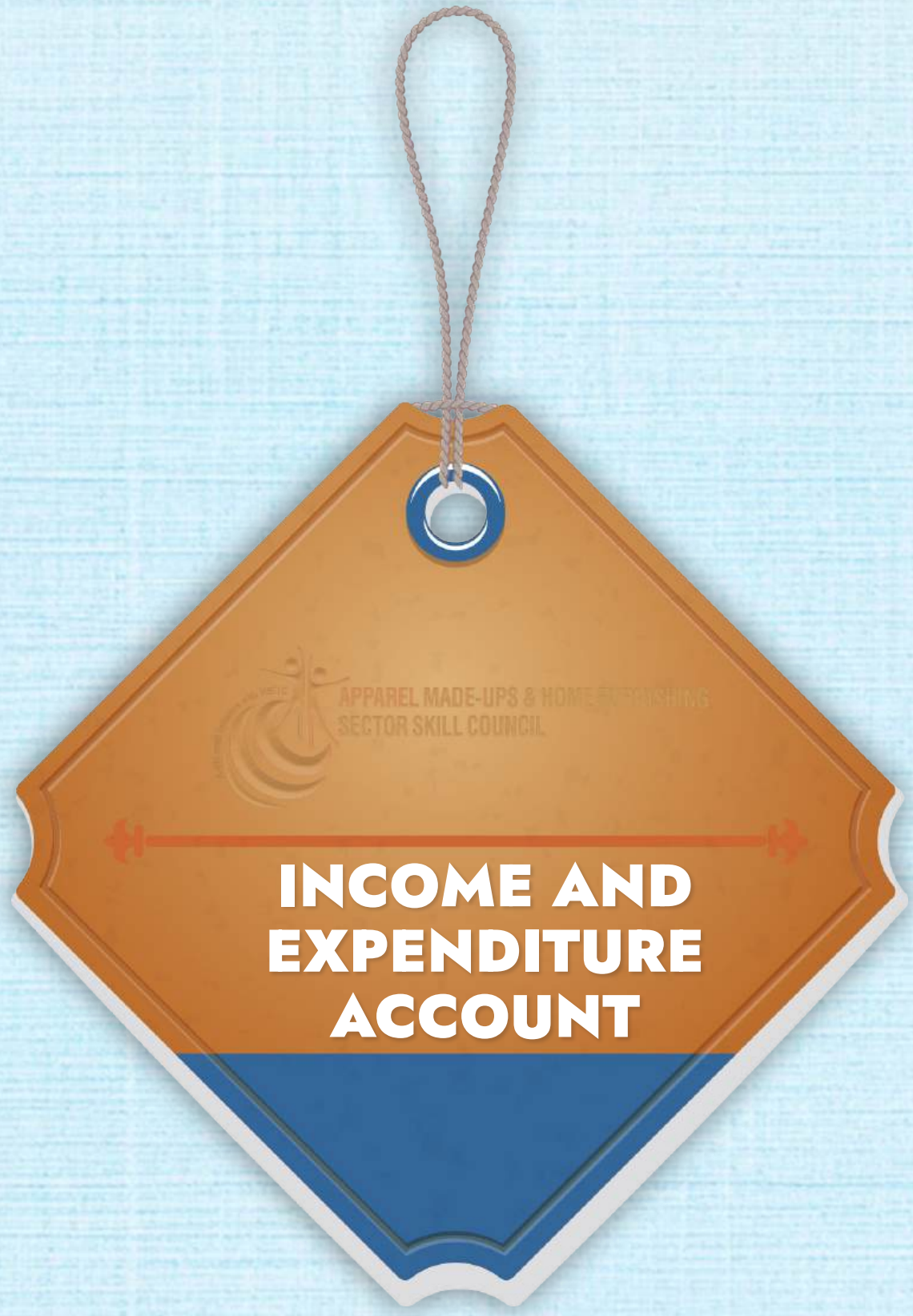
Chairman
Premal Harikishon Udani
DIN : 00075391

CEO & Director
Ashish Srivastava
DIN: 11235845

Date: 27-08-2026
Place: New Delhi

Director (F&A)
Deepak Awasthi

UDIN: 26091530OROSBT3080



INCOME AND EXPENDITURE ACCOUNT

M/S Apparel Made Ups & Home Furnishing Sector Skill Council

Flat No. A-312 to A-323, 3rd Floor,Somdatt Chamber-1,

Bhikaji Cama Place,Africa Avenue, New Delhi-110066

Income & Expenditure Account for the Year Ended 31st March 2026

Particulars	Note No.	₹ in "Lakhs" Consolidated			
		As At 31st March 2026		As At 31st March 2025	
Revenue from operations	13		10,199.84		11,086.53
Subscription Fees			0.05		-
Other income	14		863.16		600.10
Total Income			**11,063.05**		**11,686.63**
EXPENSES:					
Direct Cost of Assessment	15		8,785.93		9,284.97
Employee benefit expense	16		576.52		496.45
Administration & Other Expenses	17		1,149.60		697.41
Depreciation	7		204.83		287.28
Total Expenses			**10,716.87**		**10,766.13**
Adjustments Related to Prior Period Income & Expense:					
Add: Prior Period Income			87.36		-
Less: Prior Period Expense			229.69		55.84
Surplus/(Deficit) Prior to Tax Adjustments			**203.85**		**864.66**
Income Tax Adjustments			-		-
Surplus/(Deficit) carried over to Reserve & Surplus			**203.85**		**864.66**

Significant Accounting Policies and other notes to accounts 18
Notes 1 to 18 form an integral part of the Accounts

As per our report of even date

For Apparel Made Ups & Home Furnishing Sector Skill Council

For Khanna & Annadhanam
(Chartered Accountant)
FRN No.: 001297N

Chairman
Premal Harikishon Udani
DIN : 00075391

CEO & Director
Ashish Srivastava
DIN: 11235845

Mr. Deepak Kumar Mahajan
(Partner)
M. No. 091530

Director (F&A)
Deepak Awasthi

Date: 27-08-2026
Place: New Delhi

UDIN: 26091530OROSBT3080



CASH FLOW STATEMENT

M/S Apparel Made Ups & Home Furnishing Sector Skill Council

Flat No. A-312 to A-323, 3rd Floor,Somdatt Chamber-1,
Bhikaji Cama Place, Africa Avenue, New Delhi-110066

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2026

Particulars	As At 31st March 2026	As At 31st March 2025
		₹ in "Lakhs"
A. Cash flows from operating activities		
Income over Expenditure before tax	203.85	864.66
Adjustments for:		
Depreciation and amortisation	204.83	287.28
Preoperative Expenses W/off	-	0.75
Profit on sale of machine/Write off	0.25	1.15
Cash flow from operating activities before change in operating assets and liabilities	**408.93**	**1,153.84**
Add:		
Decrease/ (Increase) in trade receivables	(480.66)	11.46
Decrease/ (Increase) in Short Term Loan & Advances	(363.46)	(457.25)
Increase/ (Decrease) in Other Current Liabilities	312.66	157.66
Increase/(Decrease) in trade payables	426.98	15.74
Increase /(Decrease) in Short Term Provision	22.93	(322.73)
Decrease/(Increase) in Security Deposit	(14.29)	48.99
Increase/(Decrease) in Long Term Provisions	83.92	(9.98)
Decrease/(Increase) in Other Current Assets	(33.48)	(79.85)
Preoperative Expenses	-	(0.75)
Interest on Income Tax Refund	-	-
Cash flow from Operating Activities	**363.53**	**517.13**
B. Cash flows from investing activities		
Investments made - new asset	(543.58)	(56.43)
Purchase/ Transfer from WIP of fixed assets	-	-
Sale of Fixed Assets	0.02	1.21
Net cash used in Investing Activities	**(543.56)**	**(55.20)**
C. Cash flows from financing activities		
Proceeds from Grants & Supports	-	-
Net cash used in from Financing Activities	**-**	**-**
Net Increase in cash and cash equivalents	(180.03)	**461.95**
Cash and cash equivalents at the beginning of the year	8,303.96	7,842.03
Cash and cash equivalents at the end of the year	**8,123.94**	**8,303.97**

NOTES TO THE ACCOUNTS
Notes 1 to 18 form an integral part of the Accounts

This is the Cash Flow Statement Referred
in our report of even date

For Khanna & Annadhanam
(Chartered Accountant)
FRN No.: 001297N

Mr. Deepak Kumar Mahajan
(Partner)
M. No. 091530

Date: 27-08-2026
Place: New Delhi

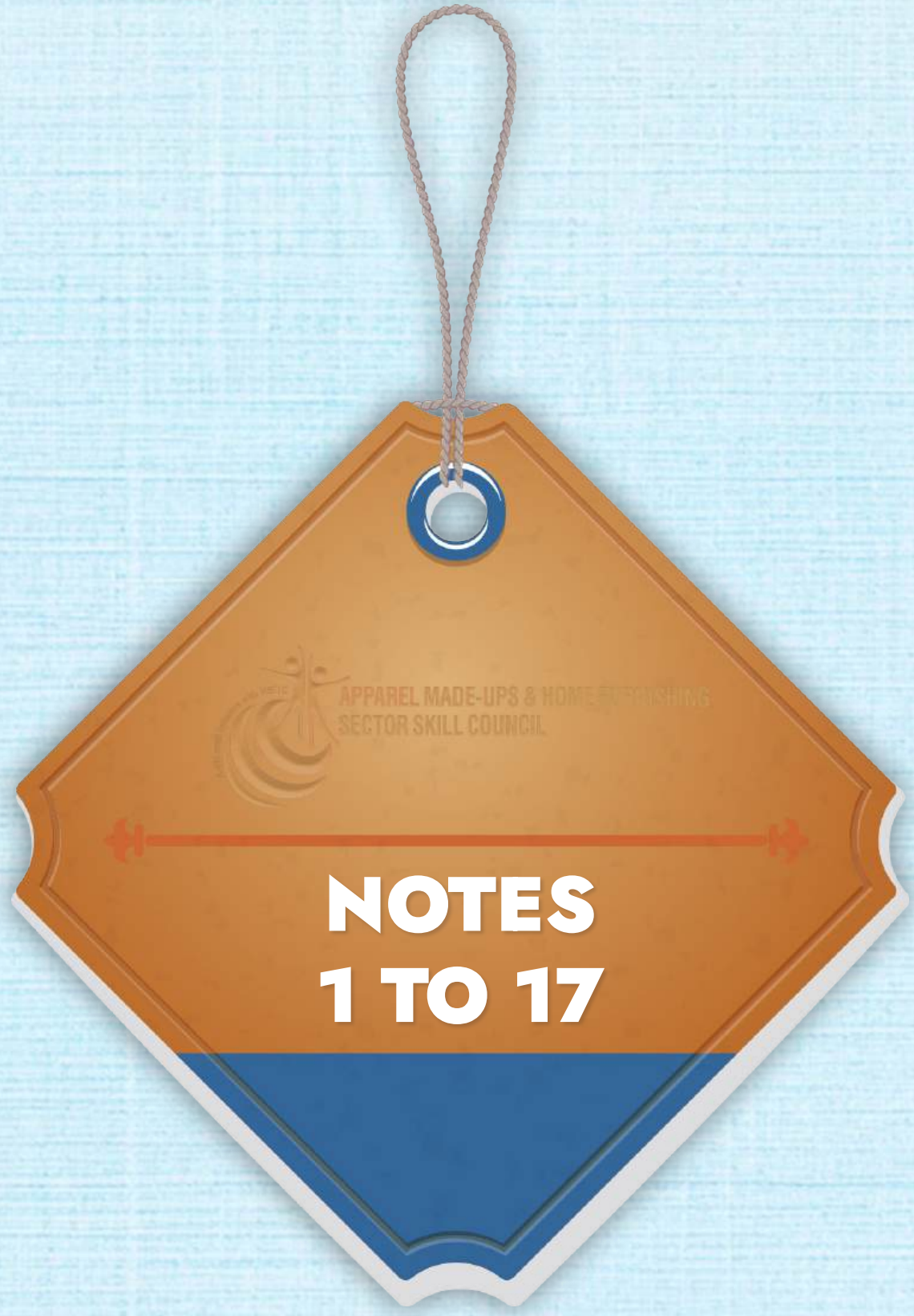
UDIN: 26091530OROSBT3080

For Apparel Made Ups & Home Furnishing Sector Skill Council

Chairman
Premal Harikishon Udani
DIN : 00075391

CEO & Director
Ashish Srivastava
DIN: 11235845

Director (F&A)
Deepak Awasthi



NOTES 1 TO 17

M/s Apparel Made Ups & Home Furnishing Sector Skill Council

	NOTES Notes 1 to 18 form an integral part of the Accounts	As At 31st March 2026		As At 31st March 2025	₹ in "Lakhs"
	NOTE 1 -Corpus Fund The company being registered U/s 25 of the erstwhile Companies Act 1956 (Section 8 of the Companies Act, 2013) does not have any share capital. The liability of the members is limited by guarantee.				
	NOTE 2 - RESERVE & SURPLUS				
A.	**Capital Reserve**				
	Corpus fund Contribution From Apparel Export Promotion Council		**50.00**		**50.00**
B.	**Infrastructure Development Fund**				
	Unutilised Balance B/F from previous year	2,232.78		1,004.83	
	Add: Contribuiton appropriated from Income and Expenditure account	-		-	
	Less: Amount utilised (as per Contra)	(533.50)		(47.42)	
	Add: Cost of Sale of Asset	-		3.12	
	Add: Adjustment related to earlier periods	-		1,272.25	
	Balance carried over to next year	-	1,699.28	-	2,232.78
	Utilised Balance of Infrstructure Fund				
	Utilized Balance from Previous Year	2,104.94		3,332.89	
	Less: Cost of Sale of Asset	-		(3.12)	
	Addition during the Year	533.49		47.42	
	Less: Adjustment related to earlier periods	-		(1,272.25)	
	Accumulated Utilization of Infrastructure Fund	2,638.43		2,104.94	
	Sub Total		**1,699.28**		**2,232.78**
C.	**Operational Reserve Fund**				
	Balance B/F from previous year	950.00		950.00	
	Additions during the year	-		-	
	Transferred during the year	(950.00)	-	-	950.00
	Sub Total		**-**		**950.00**
D.	**Income & Expenditure A/c**				
	Balance B/F from previous year	8,266.96		5,297.36	
	Addition during the Year	203.85		864.66	
	Amount Transfer from From Operational Reserve Fund	950.00		-	
	Infrastructure Fund utilised for assets b/d (as per contra)	533.49	9,954.30	2,104.94	8,266.96
			9,954.30		**8,266.96**
	Total (A+B+C+D)		**11,703.58**		**11,499.74**
	NOTE 3 - Long Term Provision				
	Provision For Employee Benefits				
	Provision for Gratuity		65.19		35.69
	Provision for Leave encashment & Sick Leave		120.88		66.47
	Total		**186.07**		**102.16**

M/s Apparel Made Ups & Home Furnishing Sector Skill Council

NOTES Notes 1 to 18 Form an Intergral Part of the Accounts	₹ in "Lakhs" As At 31st March 2026	 As At 31st March 2025
NOTE 4 - Trade Payables		
A) MSME Trade Payables		
Information in terms of Section 22 of the Micro, Small and Medium Enterprises		
Details of dues to Micro and Small Enterprises as per MSMED Act, 2006		
Payment and Interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
Interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
Interest accrued and remaining unpaid at the end of each accounting year, and the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-
A	**-**	**-**
B) Other Trade Payables	2,527.91	**2,359.21**
B	**2,527.91**	**2,359.21**
Total (A+B)	**2,527.91**	**2,359.21**
Provision created for creditors pending for compliances	1,078.67	**820.39**
Grand Total	**3,606.58**	**3,179.60**

The list of undertaking covered under "Micro Small & Medium Enterprises

Ageing schedule of Trade Payable#

As at 31 March 2026	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME Trade Payables			-	-	-
Other Trade Payables	2,185.77	309.05	33.09	-	2,527.91
Disputed Due- MSME Trade Payables	-	-	-	-	-
Disputed Due- Other Trade Payables	-	-	-	-	-

As at 31 March 2025	Less than 1 year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME Trade Payables		-	-	-	-
Other Trade Payables	2,256.69	39.00	13.77	49.75	2,359.21
Disputed Due- MSME Trade Payables	-	-	-	-	-
Disputed Due- Other Trade Payables	-	-	-	-	-

Disclosure is given from the date of transaction as no due date of payment specified

NOTE 5- Other Current Liabilities		
TDS Payable	89.31	123.35
Advance From Training Providers	626.24	283.53
Unspent CSR Liability*	5.44	1.75
Contribution to Provident Fund Payable	2.47	2.16
Total	**723.46**	**410.79**
***Unspent CSR Liability**		
Unutilised balance b/f from previous year	57.04	-
Add: Contribution received during the year	1,291.29	890.94
Less: Transferred to Income and Expenditure a/c -Completed project ***(Refer-note:15)***	(1,340.44)	(833.88)
Closing Balance of CSR Liability (A)	**7.89**	**57.04**
Add: Uitlisation during the year	1,517.49	909.23
Less: Utilisation transferred to I&E a/c-Completed Projects	(1,515.04)	(853.93)
Closing Balance of CSR Expense (Asset) (B)	**2.45**	**55.30**
Balance carry forwarded in Balance sheet [Total (A-B)]	**5.44**	**1.74**
NOTE 6 - Short Term Provisions		
Provision For Employee Benefits:		
- Short Term Provision for Gratuity	6.08	3.35
- Short Term Provision for Leave encashment & Sick Leave	11.63	6.54
Provision for CSR Obligation Expenditure	-	4.32
Other Provisions	25.69	6.26
Total	**43.40**	**20.47**

Schedule to Balance Sheet as at 31st March 2026

NOTE :-7

(i) Schedule :- Property, Plant and Equipment and Intangible Assets - Own Fund

₹ in "Lakhs"

Description	GROSS BLOCK				DEPRECIATION/ AMORTIZATION				NET BLOCK	
	As at 31.03.25	Additions	Deductions	As at 31.03.26	As at 31.03.25	For the Period	Deductions	Upto 31.03.26	As at 31.03.26	As at 31.03.25
Property, Plant and Equipment										
Office Equipments	8.75	2.75	0.45	11.05	5.49	2.03	-	7.52	3.53	3.26
Computers & Softwares	27.85	7.34	0.91	34.28	24.32	3.36	0.67	27.01	7.27	3.54
Furniture and Fixtures	2.67	-	-	2.67	0.77	0.49	-	1.26	1.41	1.90
Vehicle	40.82	-	-	40.82	30.37	3.26	-	33.63	7.18	10.45
TOTAL	**80.09**	**10.09**	**1.36**	**88.82**	**60.95**	**9.13**	**0.67**	**69.42**	**19.40**	**19.14**

(ii) Schedule :- Property, Plant and Equipment and Intangible Assets- Out of Infrastructure Fund

₹ in "Lakhs"

Description	GROSS BLOCK				DEPRECIATION/ AMORTIZATION				NET BLOCK	
	As at 31.03.25	Additions	Deductions	As at 31.03.26	As at 31.03.25	For the Period	Deductions	Upto 31.03.26	As at 31.03.26	As at 31.03.25
Property, Plant and Equipment										
Office Equipments	55.32	62.72	-	118.04	42.57	7.77	0.43	49.91	68.13	12.75
Furniture and Fixtures	44.08	62.88	-	106.96	18.67	8.33	-	27.00	79.96	25.41
Building- Others (including Temporary Structure)	419.48	252.65	-	672.13	350.14	38.56	-	388.70	283.43	69.34
Buildings (other than factory buildings) RCC Frame Structure	1,363.08	-	-	1,363.08	437.41	104.51	-	541.92	821.16	925.66
Computer & Softwares	6.97	26.91	-	33.89	6.96	1.31	-	8.27	25.62	0.02
Plant & Machinery	216.00	128.34	-	344.34	107.78	35.22	-	143.01	201.33	108.22
TOTAL	**2,104.94**	**533.49**	**-**	**2,638.43**	**963.54**	**195.70**	**0.43**	**1,158.81**	**1,479.63**	**1,141.40**

GRAND TOTAL	**2,185.03**	**543.58**	**1.36**	**2,727.25**	**1,024.49**	**204.83**	**1.10**	**1,228.23**	**1,499.03**	**1,160.54**

M/s Apparel Made Ups & Home Furnishing Sector Skill Council

NOTES Notes 1 to 18 Form an Intergral Part of the Accounts	As At 31st March 2026	₹ in "Lakhs" As At 31st March 2025
NOTE 8- Long Term Loans & Advances		
Security Deposit	32.30	27.50
Planned Asset	-	-
AMHSSC - Gratuity Trust	52.97	43.47
Total	**85.27**	**70.97**
NOTE 9 - Trade Receivables		
(i) Unsecured, considered good	4,915.48	**4,409.52**
(ii) Unsecured doubtful	-	-
Sub-Total	4,915.48	**4,409.52**
Less: Provision for Doubtful Debts	(245.77)	**(220.48)**
Total	**4,669.70**	**4,189.05**

Ageing schedule of Trade receivables

As at 31 March 2026	Less Than 6 Months	6 Month - 1year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed trade receivables – considered good	2,208.86	598.10	1,130.02	550.13	428.37	4,915.48
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables– considered doubtful	-	-	-	-	-	-

As at 31 March 2025	Less Than 6 Months	6 Month - 1year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed trade receivables – considered good	1,858.70	333.04	966.45	353.55	897.78	4,409.52
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables– considered doubtful	-	-	-	-	-	-

 # Disclosure is given from the date of transaction as no due date of payment specified

NOTE 10 - Cash & Bank Balances		
Cash & Cash Equivalents		
Bank Accounts - Saving Bank A/c	874.34	1,156.19
Bank Accounts - Current Bank A/c	10.13	6.02
Cash In Hand	-	-
Total (A)	**884.47**	**1,162.21**
Other Bank Balances		
Other FDR With Banks	7,239.47	7,141.77
Total (B)	**7,239.47**	**7,141.77**
Total (A+B)	**8,123.94**	**8,303.98**

Fixed Deposit with Bank as on 31.03.2025

Particulars	Total	Total
Less than or equal to 12 months	4,150.68	7,141.77
More than 12 months	3,088.79	-
Total	**7,239.47**	**7,141.77**

NOTE 11 - Short Term Loans & Advances		
TDS - Recoverable	1,534.25	1,238.07
GST Input Tax Credit	49.14	37.84
Advance to Suppliers	17.93	23.44
Prepaid Expenses	43.90	37.19
Loans & Advances to ITEES	118.50	67.05
Staff Imprest	6.33	3.00
Total	**1,770.05**	**1,406.59**

M/s Apparel Made Ups & Home Furnishing Sector Skill Council

Ntotes Notes 1 to 18 Form an Intergral Part of the Accounts	As At 31st March 2026	₹ in "Lakhs" As At 31st March 2025
NOTE 12 - Other Current Assets		
Loans and advances (unsecured; considered good)	9.54	2.07
Assets held for Distribution	-	48.32
Interest Accured on FDR	105.58	31.24
Total	**115.12**	**81.63**
NOTE 13 - Revenue From Operations		
Assessment/Certification Fees	2,138.72	2,777.39
Training Income	6,400.17	5,557.86
Training of Assessors Fees	21.58	12.71
Training of Trainers Fees	70.84	217.00
Empanelment Fee & ESG Income	37.00	55.13
CSR received during the year (Refer-note:5)	1,340.44	833.88
PM Vishwakarma Income	179.61	1,607.72
WSC Grant Income	11.48	24.83
Total	**10,199.84**	**11,086.52**
NOTE 14- Other Income		
Interest From Bank	611.39	596.22
Amount Written-Back	243.81	-
Other Income	7.95	3.88
Total	**863.16**	**600.10**
NOTE : 15 Assessment/Certification, & Training cost		
Assessment/Certification Charges	1,432.36	1,725.77
Training Charges	5,804.18	5,295.56
Training of Assessors Charges	13.98	9.24
Training of Trainer Charges	51.12	286.70
PM Vishwakarma Expenses	127.93	992.05
CSR expenditure during the year (Refer-note:5)	1,340.44	853.93
WSC Grant Charges	15.91	40.11
ESG Expenses	-	81.62
Total	**8,785.92**	**9,284.98**
NOTE 16 -Salary & Wages		
Salary	471.49	423.60
Gratuity and leave encashment	95.09	16.82
Incentive	66.51	60.10
Group Medical Insurance	45.03	34.98
Staff Amenities	64.23	74.43
Total	**742.35**	**609.93**
Less : Recovery of Administrative Cost Overhead	165.84	113.48
Net Total	**576.52**	**496.45**
NOTE 17- Administration & Other Expenses		
Bank Charges	0.36	0.67
Rental Expenses	105.05	87.72
Meeting Expenses	19.89	27.37
Advertisement & Promotional Expenses	47.95	17.71
Tour, Traveling & Conveyance Expenses	56.32	62.07
Printing & Stationery	8.26	8.62
Office & General Maintenance Expenses	57.24	28.17
Internet & Communication Expenses	19.37	14.63
Legal & Professional Expenses*	27.99	35.24
Electricity Charges	20.41	21.01
Courier, Postage & Subscription Expenses	4.28	1.46
Donation in Kind	6.20	-
Skill Initiative for Employment & Livelihood	84.88	-
Loss On Assets held for Distribution	36.19	-
Audit Fees*	5.90	5.90
Water Charges	1.84	1.95
Rate & Taxes	1.63	1.56
CSR Obligation expenses	22.71	22.31
Provisions for Doubtful Debtor-Expenses	25.30	220.48
Miscellaneous Expenses	11.85	5.10
Amounts Writen off- Debtors	579.61	130.86
Repair & Maintenance Expenses:		
Vehicle Repair & Maintenance Expenses	8.46	4.08
Computer Repair & Maintenance	1.34	1.47
Other Repair & Maintenance Expenses	5.30	5.01
Total	**1,158.33**	**703.39**
Less : Recovery of Administrative Cost Overhead	8.73	5.98
Net Total	**1,149.60**	**697.41**

-Refer Note to accounts 18(B)(16)



NOTE 18

M/s Apparel Made-ups and Home Furnishing Sector Skill Council
Note "18" Disclosure of Significant Accounting Policies (A) and Others notes to accounts (B)

COMPANY OVERVIEW

The Apparel, Made-Ups & Home Furnishing Sector Skill Council (AMHSSC) an autonomous body, established on December 24, 2013, u/s section 25 of the Companies Act, 1956 (now Section 8 of Companies, Act 2013) under the esteemed aegis of the Ministry of Skill Development & Entrepreneurship (MSDE) and the National Skill Development Corporation (NSDC) is a pioneering non-profit organization. The company being limited by Guarantee does not have any share capital. The Council is committed to empowering individuals by enhancing their skill sets to meet the evolving needs of the apparel industry. It is entrusted by NSDC to lead skill development, standardization, and certification efforts for both short-term and long-term education and training programs across the apparel, home furnishing, and made-ups sectors to align with demands in evolving industry. The main objective as defined in its Memorandum of Association (MOA) are targeted towards achieving competency validation, standardization, global recognition, transparency & accountability and industry alignment and job creation.

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The Financial Statements of the company have been prepared and presented under historical cost convention, on accrual basis of accounting and in accordance with the accounting principles generally accepted in India (GAAP) and in compliance with Accounting Standards (AS) prescribed by the Companies Act, 2013 and the rules made there under to the extent applicable except in situations where the change is warranted due to adoption of any new accounting standard, revision in existing Accounting standards or other reasons. The impact, if any, arising on such change is disclosed at appropriate places along with reasons necessitating such change. The financial statements have been prepared on a going concern basis and in accordance with Schedule III to the Companies Act, 2013.

Use of Judgements and Estimates

The preparation of financial statements in conformity with the Indian GAAP requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/ materialized.

2. Provisions, Contingencies & Events Occurring after Balance Sheet Date

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non–occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Such contingent liabilities are not recognized in the books of accounts, however, are disclosed of its existence in the financial statements in the notes to accounts.

Provisions are recognized when the Company has a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The liabilities pending for completion of certain compliances by the vendors are recognised as provisions at the close of the year in accordance with the matching concept. These provisions are reclassified as confirmed liability on completion of the compliances. The adjustments required on completion of the pending compliances are made in the financial year in which such adjustments are made.

3. Revenue Recognition

Revenue recoverable from Funding agencies regarding training of batches is recognised based on the information/ invoices provided by the training partners and approved by respective funding agencies as per the agreed milestones.

Revenue on account of assessment and certification is recognised on completion of the respective batches put up for assessment and certification. The revenue received against the batches pending for completion as at the end of the year is carried forward as "Advances from Training Providers" under current liabilities.

Revenues from other sources are recognised on an accrual basis based on their certainty confirmation status regarding their realisation.

4. Property, Plant and Equipment

Tangible property, plant & equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if any, and directly attributable cost of bringing the asset to its working condition for the intended use.

Capital expenditure on purchase and development of identifiable non-monetary assets without physical substance is recognized as Intangible Assets when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Council; and the cost of the asset can be measured reliably.

Intangible assets acquired are measured on initial recognition at cost and subsequently carried at cost less accumulated amortization. Costs relating to Intangible Assets are amortized over a three-year period or life identified as per the terms of understanding in relation to development of respective assets.

5. Depreciation

The company charges Depreciation following WDV method on assets, expected to be useful for more than one financial year and based on useful life and rates as provided in Schedule II of the Companies Act 2013. Assets costing INR 5,000 or less are charged off @100% in the year of their acquisition. The useful life:

- In case of Building-RCC Frame Structure) is determined as per Schedule II, adjusted by reducing the number of years already elapsed since the asset's original construction prior to its acquisition by the company
- In case of Building-Others (other temporary structure) is considered to be three years or the period of lease in case of leased properties; based on the nature of such assets.

6. Impairment of Assets

At each reporting date, an assessment is made to ascertain if any indicators exist that an asset may be impaired. If any such indicators exist and the estimate of the recoverable amount is less than the carrying cost of an asset, the difference being an impairment loss is recognized as an expense in the Statement of Income and Expenditure Account.

7. Effects of Changes in Foreign Exchange Rates

Foreign currency transactions are recorded in rupees by applying the exchange rate prevailing at the date of the transactions. At the Balance Sheet date, monetary assets & liabilities in foreign currency are realigned, based on the exchange rates prevailing at the close of the year. Gains & losses on settlement of transactions & exchange differences arising on restatement of monetary assets & liabilities are recognized in the Statement of Income & Expenditure. The difference arising on long-term foreign currency monetary items may be capitalized to the cost of related depreciable assets, or deferred in "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA) and amortized over the balance tenure of the asset or liability.

8. Accounting of Government Grants

Grants received in the nature of Revenue grants are recognised as income. Any amount remaining unutilised is carried forward to next year under current liability.

In respect of Assets acquired out of Grant, the cost of assets in addition to being included under fixed asset is also credited to Grant Account with an equivalent amount. These Fixed Assets are depreciated in the normal course with an equivalent amount being released from the Grant Account.

9. Employee Benefits

Short-term employee benefits are recognized as an expense in the Statement of Income and Expenditure of the year in which the related services are rendered.

Defined Contribution Plan: Contributions to defined contribution schemes such as Provident Fund and National Pension Scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The company's provident fund contribution is made to a government administered fund and charged as an expense to the Income & Expenditure Account. The above benefits

are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined Benefit Plan: The Company provides retirement/ post-retirement benefits in the form of gratuity. The Company's liability towards such defined benefits plans is determined based on valuations, as on the balance sheet date, made by the independent actuary using the Projected Unit Credit method. Actuarial gains and losses in respect of the defined benefit plans are recognised in the Income & Expenditure Account in the period in which they arise. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Other Employee Benefits: The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for the measurement purposes. Such long-term compensated absences are provided based on actuarial valuations using the Projected Unit Credit method at the year end. Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

10. Accounting for Taxes on Income

Provision for Income tax is created in books of accounts under the applicable provisions of the Income Tax. In view of the exemptions availed under Section 12A/12AA of Income Tax Act, 1961, no provision for tax has been made in the books of accounts.

11. CSR Implementation Funds

The funds received towards CSR projects as implementing agency are recorded in Balance Sheet as "CSR Contribution received during the year" and the balance remaining unutilized at the close of the year pertaining to ongoing or incomplete projects is carried forward to the next year. The income and expense related to execution of the projects is recognized in the Income and Expenditure account upon completion of the respective project.

12. Infrastructure Fund and Operational Fund

The fund is created through contributions allocated from accumulated internal surplus under income and expenditure account. The assets (of infrastructure nature) acquired out of this fund are reflected as utilisation. The amount utilised out of this fund are ploughed-back to income and expenditure accounts and disclosed separately. The balance remaining unutilised in infrastructure fund at the end of the year is carried forward to next financial year as part of reserve and surplus **[Refer Note no.18(B)(9)].**

The allocation to and utilisation of the operational fund (created during the Corona Pandemic to meet out any potential operational contingencies) is in accordance of the decision take by the management during the year based on prevailing environment and uncertainties that may arise in near future. With the objective closing the fund, the unutilised balance has been transferred to Accumulated balance of Income & Expenditure Account during the year.

B. OTHER NOTES TO THE ACCOUNTS

1. Contingent liabilities, Contingent assets or Capital commitments:

Amount in INR (Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Income tax	545.75	481.00
b) HSIIDC*	251.00	251.00
c) GST	215.47	215.47
d) Capex and Opex for Mumbai COE	50.20	-

** By virtue of MOU signed between HSIIDC and AMHSSC in October 2017, the Council was to train 17,000 Haryana youth (10,000 initial + 7,000 additional) through its affiliated partners. The project was to be funded by HSIIDC's CSR budget. HSIIDC released an initial advance of INR 2.51 crore (30% tranche) after approval of 3,524 candidates initially and 10,323 (352 batches) subsequently. While, the Council claimed that all trainings were completed in and audited by Ernst & Young alongside HSIIDC's team, HSIIDC withheld further tranches on the grounds of Council failing to furnish or submitting flawed supporting documents (such as attendance, Aadhar, trainer certifications, etc.). Eventually HSIIDC cancelled the project and issued multiple recovery notices. In December 2023, HSIIDC formally lodged an FIR alleging misappropriation of the INR2.51 crore advance, citing non-conduct of training per government norms and lack of utilization of funds. The council did not receive any substantive clarification on the responses submitted by it to the notices. Based on a Economic Offence Wing, it was found that the training implementation and documentation conducted by the council was in line with agreed norms. As per current situation, while HSIIDC is pursuing recovery of the advance and legal action (FIR), the council has sought release of the remaining INR 27.23 crore (training + assessment costs), relying on the clean chit from the EOW investigation to support its claim. The amount of refund of INR 2.51 Cr sought as refund by HSIIDC in view of existing scenario has been disclosed as a contingent liability. There has not been any progress in the matter during the year. The case has been adjourned to January 21st, 2027 by Chief Judicial Magistrate, Panchkula.*

2. Related Party Disclosures

a. List of related parties

Enterprises over which KMP and Other Related Parties is able to exercise significant influence:

- Apparel Export Promotion Council (AEPC)
- The Apparel Training & Design Centre (ATDC)

- Garments Exporters & Manufactures Association (GEMA)
- National Institute of Fashion Technology (NIFT)
- Poppys Tours Pvt. Ltd. and Poppys Vista Pvt. Ltd
- Shahi Exports Pvt Ltd
- PR Sarkar Charitable Foundation

b. List of Key Managerial Personnel and Other Related Parties:

S. No.	Name of KMPs and Other Related Parties	Relation with Associates
1.	**Dr. A. Sakthivel, Chairman AMHSSC**	Member, Board of Governance, ATDC
2.	**Mr. Virender Uppal, Past Chairman AMHSSC**	Member of Executive Committee, AEPC Member, Board of Governance, ATDC
3.	**Mr. Premal Udani, Past Chairman AMHSSC**	Member of Executive Committee, AEPC Member, Board of Governance, ATDC
4.	**Mr. Vijay Kumar Yadav**	Ex-CEO (Left on 31-08-2024)
5.	**Mr. Ashish Srivastava**	CEO (Joined on 16-12-2024)
6.	**Mr. Narendra K Goenka, Director**	Member of Executive Committee, AEPC (Ceased as Director AMH SSC on 28/01/2025)
7.	**Mr. Sudhir Sekhri, Director**	Chairman- AEPC
8.	**Mr. Rakesh Vaid, Additional Director**	Sr. Vice Chairman, ATDC and Member of Executive Committee, AEPC
9.	**Mr. Ramu Raju, Director**	Member of Executive Committee, AEPC
10.	**Ms. Ruby Sood**	Prof., Textile Design Department, NIFT (Ceased as Nominee Director AMH SSC on 11/03/2025)

11.	**Mr. Vijay Agarwal**	Member of Executive Committee, AEPC
12.	**Mr. Naveen Todi**	Director
13.	**Mr. Rajesh Masand**	Nominee Director of CMAI (Ceased as AMH SSC Nominee Director on 21/03/2025)
14.	**Mr. Ankur Gadia**	Nominee Director of CMAI
15.	**Mr. Rajkumar Ramasamy**	Director
16.	**Mr. Palanisamy Sudhakar**	Director
17.	**Mr. Anant Ahuja**	Director Board of Governance, Shahi Exports Pvt Ltd
18.	**Mr. Hari Kishanlal Magu**	Nominee Director of AEPC
19.	**Mr. Archana Gandhi**	Nominee Director of NIFT
20.	**Mr. Varun Batra**	Nominee Director of NSDC
21.	**Mr. Dnyaneshwar Manohar Mulay**	Nominee Director of NSDC

c. Disclosure of Related Party Transactions

Amount in INR (Lakhs)

Company	2025-2026				2024-2025			
	Op. Bal	During the yr		Cl. Bal	Op. Bal	During the yr		Cl. Bal
		Dr	Cr			Dr	Cr	
ATDC*	31.37	75.32	(90.23)	16.46	122.97	30.17	(121.77)	31.37
AEPC	0.46	0.98	(1.21)	0.23	0.76	0.09	(0.39)	0.46
GEMA	0.22	0.26	(3.27)	(2.79)	0.06	0.31	(0.15)	0.22
IKFA	-	-	-	-	(0.07)	0.57	(0.50)	-
NIFT	(1.85)	5.52	(3.67)	-	-	7.00	(8.85)	(1.85)
Poppys Tour (P) Ld#	(0.86)	5.75	(6.00)	(1.11)	(1.53)	21.49	(20.82)	(0.86)
Poppys Vista (P) Ld#	-	0.01	(0.01)	-	-	1.24	(1.24)	-
Shahi Exports (P) Ld*	17.33	17.58	(23.34)	11.59	23.15	29.21	(35.03)	17.33
PR Sarkar Charitable Foundation	-	22.66	(22.66)	-	-	-	-	-

NOTE- *The figure above in brackets reflects credit balance*

- Training Partners*

-# Travelling Agent

Amount in INR (Lakhs)

Particulars	2025-26		2024-25	
	Remuneration	Reimbursement of Expenses	Remuneration	Reimbursement of Expenses
Mr Vijay Yadav	-	-	15.00	6.87
Mr. Ashish Srivastava	41.56	2.18	10.55	0.31
Mr. A Sakthivel	-	3.05	-	4.32
Mr. Naveen Todi		0.88	-	2.81
Mr. Premal Udani	-	0.74	-	-
Mr. Vijay Agarwal	-	-	-	0.32

3. Employee Related Benefits:

a. Defined contribution plan:

Contributions to Provident Fund & NPS in the Income and Expenditure account are as follows:

Amount in INR (Lakhs)

Particulars	2025-26	2024-25
Defined contribution plan (Provident Fund & NPS)	37.79	27.21

b. Defined benefit plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on exit from the company at a rate of 15 days' salary (last drawn salary) for each completed year of service.

c. Other employee benefits:

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. Long-term compensated absences are provided for based on the actuarial valuations using the Projected Unit Credit method at the year end.

Below tables set forth the changes in the projected benefit obligations and plan assets and amounts recognized in the Balance Sheet as at March 31, 2026 and March 31, 2025, being the respective measurement dates:

i. Changes in the present value of the defined benefit obligation are as follows:

Amount in INR (Lakhs)

Particulars	Gratuity		Leave Encashment and Sick Leave	
	2025-26	2024-25	2025-26	2024-25
Opening defined benefit obligation	39.04	37.80	73.01	77.36
Interest cost	2.61	2.73	4.88	5.58
Past Service Cost	22.74	-	41.88	-
Current service cost	7.26	5.29	8.44	7.36
Benefits paid	(1.96)	(6.55)	(3.88)	(13.39)
Actuarial (gain)/ loss on obligation	1.58	(0.22)	8.09	(3.90)
Closing defined benefit obligation	71.27	39.04	132.42	73.01

ii. Changes in the fair value of plan assets are as follows:

Amount in INR (Lakhs)

Particulars	Gratuity		Leave Encashment and Sick Leave	
	2025-26	2024-25	2025-26	2024-25
Opening fair value of plan assets	27.23	26.66	16.00	24.47
Expected return	1.82	1.92	1.07	1.76
Contributions by employer	5.73	5.32	7.12	3.32
Benefits paid	(1.96)	(6.55)	(3.88)	(13.39)
Actuarial gain/ (losses)	(0.19)	(0.12)	(0.22)	(0.17)
Closing fair value of plan assets	32.63	27.23	20.09	16.00

iii. Net employee benefit expense debited to Income and Expenditure account:

Amount in INR (Lakhs)

Particulars	Gratuity		Leave Encashment and Sick Leave	
	2025-26	2024-25	2025-26	2024-25
Current service cost	7.26	5.29	8.44	7.36
Past Service Cost	22.74	-	41.88	-
Interest cost	2.61	2.73	4.88	5.58
Expected return on plan assets	(1.82)	(1.92)	(1.07)	(1.77)
Actuarial (gain) / loss	1.77	(0.10)	8.30	(3.74)
Net benefit expense to I&E A/C	32.56	5.99	62.44	7.43

iv. Details of provision for Employees Benefits:

Amount in INR (Lakhs)

Particulars	Gratuity		Leave Encashment and Sick Leave	
	2025-26	2024-25	2025-26	2024-25
Defined benefit obligation	71.27	39.04	132.50	73.00
Fair value of plan assets	38.91	27.23	24.32	16.00
Net (Liability)/ Asset	(32.37)	11.81	108.18	(57.00)

v. Actuarial Assumptions:

Amount in INR (Lakhs)

Particulars	Gratuity		Leave Encashment and Sick Leave	
	2025-26	2024-25	2025-26	2024-25
Discount rate	6.97%	6.69%	6.97%	6.69%
Expected rate of return on plan Assets	6.69%	7.21%	6.69%	7.21%
Rate of escalation in salary p.a.	8.00%	8.00%	8.00%	8.00%

4. Effects of Foreign Exchange Transactions:

Details of Receipt in Foreign Currency is as under:

Amount in INR (Lakhs)

Particulars	For the year ended	
	31st March 2026	31st March 2025
Nil	-	-

Details of Expenditure in Foreign Currency is as under:

Amount in INR (Lakhs)

Particulars	For the year ended	
	31st March 2026	31st March 2025
Travelling	4.09	4.90
Development of Content	91.10	0

5. The activities of the company include the single primary activity of undertaking project implementation funded by government grants. Based on the guiding principles given in AS - 17 "Segment Reporting", this activity falls within a single operating segment. Further, the entire operations of the company are only in India and hence, disclosure of secondary / geographical segment information does not arise. Accordingly, the requirement to provide disclosures under AS 17 does not arise.

6. Relationship with Struck off Companies.

Based on the information available in public domain in the context of companies whose names have been struck off, the management has ensured that no transaction has been carried out during the year with such companies.

7. Corporate social responsibility (CSR)

In terms of compliance of Section 135 of Companies Act, 2014 relating to Corporate Social Responsibility, an amount of INR 22.71 lakhs (previous year INR 22.31 lakhs) being 2 % of the adjusted profit due has been provided as CSR liability in the books of account. The details regarding CSR liability and utilization thereof are as follows:

Amount in INR (Lakhs)

S.No.	Particulars	2025-26	2024-25
1.	Opening balance of Unspent CSR	(0.75)	6.94
2.	Amount required to be spent by the company during the year	22.71	22.31
3.	Amount of expenditure incurred	22.66	30.00
4.	Short / (Excess) balance at the end of the year	(0.70)	(0.75)

Amount spent during the year on:

S.No.	Particulars	Amount in INR (Lakhs)
1	Construction / acquisition of any asset	-
2	On purposes other than (1) above	22.66

**The contributions towards CSR have been donated to PR Sarkar Charitable Foundation (an organisation in which one of the directors has a direct interest).*

8. In view of the exemption being granted to the company under section 11 of the Income Tax Act 1961, no provision for tax has been considered necessary in the books of accounts. The management expects that all the amounts accumulated over the years shall be utilized as per stipulated timelines defined under the provision of the Income Tax Act and consequently there would be no tax liability arising on the company on account of underutilization of the said accumulated amounts.

9. The company established an Infrastructure Fund to support the development, enhancement, and maintenance of infrastructure essential for carrying out its not-for-profit activities in line with the objectives set out by the company. During the financial year 2025-26, additions to assets amounting to INR Rs. 533.49 lakhs (previous year – Rs. 47.42 lakhs) have been classified as infrastructure-related and accordingly, considered as utilization of the Infrastructure Development Fund.

During the year, no allocation of funds has been made to Infrastructure funds. The amount spent towards establishment of a new COE and upgradation of an existing COE have been treated as utilisation of Infrastructure Fund during the year.

Considering the utilisation of Operational Fund Reserve over the period of its creations, the management has decided to the windup this and treat it as a free reserve. Consequently, the entire amount of unutilised amount of Rs. 950. 00 lakhs has been transferred to Income & Expenditure amount. This change being the realignment in the classification of reserves has no impact on the reported surplus/deficit for the year and on the overall balance under Reserves and Surplus.

10. Company avails the services of a vendor engaged for automation of operations including integration of operations with finance with a view to bring out the transparency in operational conduct by the Council during any period. The relationship is governed by an agreement dated August 28, 2020 (read with changes agreed upon through a letter dated October 20, 2021 under signatures of the then CEO of the Council) between the vendor and the Council. The consideration against the bills raised by the vendor (generally on a fortnight basis) towards the services rendered is paid through a percentage of assessment revenue.

The proposal of automation was put up to the Board in their 22nd meeting held on June 22, 2020 and consented for finalization in their 26th Board meeting held on August 31, 2021. As per the terms defined in the agreement the term of termination have been defined to be indefinite. Based on deficiency observed in the deliverables under the contract, the

management is contemplating a comprehensive review of the agreement based on its relevance and its usefulness to the organization in the prevailing scenario. During the year, the vendor has been paid a charge of Rs. 123.22 lakhs (previous year Rs. 115.45) for the services of Data Management Services and Rs. 22.50 lakhs under Digital Infrastructure Expense for charges reimbursed towards hosting charges.

11. The balances with various debtors and suppliers at the close of the year are under reconciliation. In case of any difference observed on receipt of confirmations from any of the parties the necessary reconciliation is under process. The nature of operations, being such that the balances payable to vendors and the balance recoverable from state missions/ training partners are directly related to each other, it expects that there will be no significant difference occurring on completion of such reconciliation. However, in cases where there is least probability of recovery; the outstanding balances of Rs. 579.61 lakhs (Previous year Rs. 130.86 lakhs) from concerned debtors have been written off as bad debts during the year. The recovery, if any, against these bad debts shall be reflected in books of account accordingly at the time of recovery. Consequent to this, the amount of Rs.243.81 lakhs remaining unpaid and falling due against the liabilities to various vendors has also been written back. Besides, as a matter of prudence and to cover any unforeseen situation, and discrepancies if any arising on account of reconciliation differences and mismatches in ageing of respective parties, the provision for doubtful debts has increased by Rs. 25.30 lakhs to Rs. 245.77 lakhs (Previous year-INR 220.48 lakhs) @5% on total outstanding trade receivables amounting to INR 4915.48 lakhs (Previous year INR 4,409.51 lakhs).

12. In regard to the amount payable to vendors:

a. The company follows the policy as per which the provision is created against the amounts payable to vendors who have not submitted the invoices and any other compliance in regard to performance of agreed services. By virtue of this policy, a liability of Rs. 1078.67 lakhs (Previous Year Rs. 820.39 lakhs) exists at the close of the year against such non-compliant vendors. The provision amount is disclosed under trade payables as a separate item. The ageing of liability being in the nature of provision only has not been prepared.

b. The payment due to vendors (including Micro and Small enterprises) are dependent upon the recovery of invoices raised on State Missions/Training Partner for services rendered. This arrangement is also supported by MOUs executed by the concerned parties. Based on this principle, the management is of the view that since most of the vendors fall under this agreed upon arrangement, no liability on account of interest as per the provision of the act is required to be created and paid. In order to address the legal concern over applicability of MSME, the management has sought a legal opinion as per which MSME Act is not applicable in relation to MOUs executed between Council and respective training partners/ABs/AAs and hence there will not be any interest liability in case of any delayed payments beyond 15/45 days. Based on the opinion no provision for interest has been created on account of interest in case of delayed payments. In case of other vendors, the payments are generally made within time. However, in case of any dispute arising on this account, the payment shall

be made on settlement of dispute and recorded in books accordingly.

13. The company had acquired certain plant and machinery items for utilization/ distribution of these towards education and skilling people in textile sectors. The items so purchased and lying in control of Council, have been reflected as "Assets held for distribution" under current assets in the Balance Sheet. These items have been reflected at cost of acquisition as the management holds the view that all these are in good condition. Some of these assets have been donated and disclosed as "donations in Kind" under admin and other expenses. Rest of the machines have ben sold and the loss on such sale has been recorded under 'Loss on Assets held for distribution'

14. a) Pending submission of GST annual return for the year 2025-26 and pending matching and reconciliation of turnover, liability and input credit availed as per books and that reflected in the respective returns (including GSTR 2A/2B), effect on the accounts in terms of additional taxes, interest and penalty if any, cannot be indicated at this stage. Management, however, does not expect any significant impact arising out of submission.

b) The GST registration for Centre of Excellence at Mumbai, Guwahati, Baghpat, Noida and Coimbatore is pending. The necessary documentations for this registration is in process of being obtained for necessary compliance with the department. Till registration any liability arising under GST has been recorded in books of account and shall be paid after completing the registration compliance along with interest if any.

In case of one of the unit the registration has not being obtained the tax liabilities arising on this location are being paid through a different registration in a different state. The management does not aspect any significant liability arising on this account as the services rendered are under the category of exempt supply.

15. The amount of CSR Rs. 40.73 lakhs are pending for recovery from certain PSUs on whose behalf the CSR was conducted. The management contends that the amount is recoverable as the same has been spent on the request respective PSUs. Besides, the amount also remains unpaid to the vendors who have rendered services on Council in connection with activities. In view of this, no provision of any loss has been created in books of account.

16. Ratios:

The company, being a not-for-profit company and by virtue of restrictions imposed by the Registrar of companies, does not carry out any commercial operations. However, based on activities undertaken and existence of required parameters in financial statements (such as debts, inventories, turnover etc.), following ratios have been derived and hence given:

Ratio	2025-26	2024-25	Variation	Numerator / Denominator
Current ratio	3.36	3.87	13.27%	Current Assets/ Current Liability
Trade receivables Turnover ratio	2.30	2.64	12.77%	Revenue from Operation/ Average Trade Receivables

Trade Payables Turnover ratio	2.59	3.36	22.94%	Direct Cost of Assessment/ Average Trade Payables
Net capital Turnover ratio	0.99	1.07	7.50%	Revenue from operation/ Working capital

Note- The company being a Not-for-Profit organization, net profit ratio is not applicable.*

17. The company does not have:

a. any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

c. any investment in Crypto currency or Virtual Currency during. the financial year.

d. any advances or loans or invested funds to any person(s) or entity(is), including foreign entities (Intermediaries).

e. any funds received from any person(s) or entity(is), including foreign entities (Funding Party).

f. any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such relevant provisions of the Income Tax Act, 1961.

g. any borrowings, hence, is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act 2013) or consortium thereof or other lender in accordance with the guidance on willful defaulters issued by the Reserve Bank of India.

h. any subsidiary companies.

18. In additions to Audit Fee the payments made/accrued to Auditors included under Assessment Charges/ Legal and Professional charges are as follows:

Attestation of the compliance certificate	Rs. 6.67 lakhs (previous year: INR53.90 lakhs)
Taxation services	Rs. 2.50 (Previous Year 10.11 lakhs)

19. Post closure of the financial year, management has decided to closed down the Centre of excellence, Noida considering the future plan of the Council. Some of the assets found to usable have been transferred to newly setup COE at Baghpat. The financial implication arising on closure shall be recorded in the next financial year 2026-27, when the COE is finally closed.

20. Previous year's figures have been regrouped / rearranged where necessary to make them comparable and have been given in brackets. As against the practice of rounding off the amounts in thousands till preceding year, the amounts have rounded off in lakhs w.e.f. FY 2025-26.



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