



Volume III. Issue No. 11 May 11, 2017

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TEXPROCIL @ DELEGATION TO SOUTH KOREA



TEXPROCIL Chairman, Shri Ujwal Lahoti (3rd from Right) at a Delegation led by Secretary, Ministry of Textiles, Mrs. Rashmi Verma (4th from left) to South Korea (Seoul & Daegu) on 26th & 27th of April 2017 to promote the upcoming "Textiles India 2017" and to have B2B meetings with top management of big sized Korean Companies.

CHAIRMAN'S MESSAGE



Dear Friends,

The economic fundamentals and the policy environment continue to be supportive for sustainable growth in India forming a positive backdrop for our sector in the medium to long term, even as the strengthening Indian Rupee has been a cause of concern.

In order to support the government's reform effort and also broad base our exports, TEXPROCIL continued its wide sphere of activities during the fortnight that included participating in the visit of an official delegation to South Korea for garnering international support for the Textile India Event; making presentation to Parliamentary Committee on Commerce regarding the importance of textile trade; making presentation to the Committee on Duty Drawback in the Post - GST era; organising a Seminar at Mumbai and Coimbatore to familiarise Members to the IKEA way of sourcing products.

Delegation to South Korea

A Delegation was led by Secretary, Ministry of Textiles, Mrs. Rashmi Verma to South Korea (Seoul & Daegu) on 26th and 27th of April 2017. The objective of the visit was to promote the upcoming Textiles Fair "Textiles India 2017" in Gujarat and to have B2B meetings with top level management of big sized Korean Companies.

Mr. Neeraj Jain, Joint Managing Director of Vardhaman Industries and Mr. Ashish Saraf of Technocraft Industries joined this delegation.

On 26th April 2017, a Road show was arranged in Daegu, which is the Textile capital of South Korea. Around 100 Korean buyers attended the Road Show and showed their keen interest to participate in the Exhibition. On behalf of TEXPROCIL, I made a presentation on "Strengths of Indian Cotton Textiles and Opportunities in India for Technical Textiles".

On the next day, 27th April 2017, the Indian Embassy in South Korea arranged B2B meetings with industry

leaders from large sized Korean Companies. Some of the Companies invited to the meeting included Youngone, Hyosung Corporation, Kolon Fashion Material Inc. Lot of information was exchanged and business possibilities were discussed during this meeting. Korean companies were keen to develop more business with Indian Companies and set up some production units in India, as well.

We also met the Chairman of "Korea Federation of Textile Industries", which is the Apex association of Korean Textile Companies and the Chairman of Daegu Gyeongbuk Textile Industries Association with whom our Council recently signed a M.O.U. Both of them expressed their keenness to develop closer partnership with India Textile Companies and also to bring delegation to visit the upcoming Fair.

Meeting with Parliamentary Committee on Commerce

At a meeting with Department Related Parliamentary Committee

CHAIRMAN'S MESSAGE

CONTINUED FROM PAGE 1

on Commerce held on 25th April at Mumbai, on the subject "Trade with ASEAN COUNTRIES", TEXPROCIL explained the importance of textile trade with ASEAN as it represents over US\$ half a billion market for export of textiles from India.

The Council explained the urgent need to build road connectivity through North East India right upto Vietnam so as to increase export to the ASEAN countries, particularly as 50% of India's hand looms are in the NE region. This will improve proximity and quick delivery lead time in the region for mutual / multilateral trade benefit.

Tariff reduction with ASEAN and in particular with Vietnam will help to substantially increase textile exports from India, as the region needs huge volumes of yarns and fabrics for further value addition. India is unable to increase its market share mainly due to tariff disadvantage with Vietnam as well as China.

By addressing the tariff issue under APTA with China, India can also increase export of cotton textile to China by about US\$ 2 billion in the next few years.

TEXPROCIL requested the Parliamentary Standing Committee on Commerce to take up all these issues at appropriate forum. The Chairman of the Committee, Shri Shantaram Naik stated that these issues will be taken up suitably by the Committee.

TEXPROCIL presentation to the Duty Drawback Committee

The Government has constituted the Duty Drawback Committee consisting of Shri G. K. Pillai (Chairman of the Committee), Shri Gautam Ray and Shri Y. G. Parande. The Council made a presentation on its drawback proposals under the GST regime before the Committee in Mumbai on April 27, 2017.

In its presentation, the Council urged the Committee to fix Drawback rates for Cotton textile products by considering those Central Taxes/ Duties that have not been subsumed under the GST. With regard to the ROSL scheme for Made ups, the Government has indicated that since State VAT would be subsumed under the GST, the ROSL rates for Made ups works out to about 0.4%.

The Council has proposed to the Government to include all those State levies / taxes that have not been subsumed under the GST. The Council will be submitting detailed proposals (product wise) to the Government for the Drawback rates. I would urge all the members to provide the required data so that the Council can formulate its proposals for Drawback rates. In this regard, the Council has already sent a circular to all the members seeking data in the prescribed format.

TEXPROCIL – IKEA Seminar

As you may be aware, IKEA, the global home furnishing giant from Sweden sources products worth €318 million from India. They are also sharpening their India focus as plans are afoot to double sourcing from the Indian market to €600 million by 2020. Textile products account for 70% of IKEA's sourcing from India.

Apart from this, IKEA also envisages to open 25 stores in India by the year 2025 at an investment of Rs 10,500 crore. Therefore, IKEA needs to develop new suppliers to meet the increasing volume of business across the entire product range.

The Council, therefore, in Association with IKEA – India office organised a workshop on "IKEA business model, strategies, compliance and opportunities for textile suppliers across various categories" at Mumbai on 5th May & Coimbatore on 6th May to facilitate its Members to explore

the possibility of exporting their textile products to IKEA. Mr Sandeep Sanan, New Business development Manager and Mr Kamal Gaba, Business development Manager – Textile division of IKEA conducted the seminars and enlightened the participants with regard to the business model of IKEA.

The Seminar saw around forty people attending the event at each place in Mumbai and at SIMA Coimbatore. After the informative sessions, many of the companies opted for one to one meeting with IKEA representatives. The IKEA representatives thanked the Council for undertaking this initiative and giving them an opportunity to meet with a wide range of suppliers.

Summing Up

Friends, in today's unpredictable times we are witnessing severe price pressures in the markets around the world due to a strengthening rupee, higher raw material cost and low margins. On the other hand, the European economy is seen strengthening despite concerns around Brexit threatening the sustenance of an integrated community but the preferential access given to certain countries like Pakistan, Bangladesh, Turkey, Egypt, Vietnam by the European Union (EU) is eroding India's market access.

We may hope for a better performance in future by focusing on emerging markets that now contribute about a third of global GDP and half of global GDP growth. Year 2016 has seen emerging markets outperform developed markets and we can expect this to continue in 2017.

Ujwal R Lahoti
Chairman

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COVER STORY

Need for an Indian National Strategy
for Standardization

Hon'ble Minister of State for Commerce & Industry Nirmala Sitharaman addressing the gathering at 'Standards Conclave 2017'



The rapid growth of the Indian economy, and its size and consequence in global trade, makes it essential for the country to establish a robust quality infrastructure in India. A matching standards ecosystem that would fuel economic growth and enhance the 'Made in India' brand is necessary to achieve further progress in this.

The Indian National Strategy for Standardization (INSS) is being evolved to enable the development

of a harmonized, dynamic, and mature standards ecosystem in India. This is in recognition of the growing influence of standards and technical regulations, and a corresponding conformity assessment systems on trade and commerce worldwide. Similar strategies have been evolved by most of the developed countries and are being used to foster leadership in global standards setting fora as well as for protecting the interests of their citizens and industry.

National Standards Conclave:

A two day conclave on National Standards was recently held in Hotel Lalit, New Delhi on 1st and 2nd May, 2017. The Special Theme Address was given by Smt. Rita Teotia, Secretary - Commerce, Govt of India while the Inaugural Address was delivered by the Hon'ble Minister of Commerce and Industries, Smt. Nirmala Sitharaman.

The Conclave also saw the launch of a dedicated website for Standards called India Standards Portal and the website www.indiastandardsportal.org was launched by the Hon'ble Minister for Commerce and Industries.

Speakers from national and international Certification Boards as well as from the private industry made presentations on the various aspects and importance of Standards. This ranged from the requirement of Standards and the role it plays in enhancing competitiveness of products to the support and assistance required from the Government. Representatives from several State Government were also present as the platform created through this Conclave was to create awareness about Standards pan-India.

Based on the various discussions and interactions during the Conclave it was felt that the INSS, in its final form, shall aim to achieve the following:

- a) Policies for standards setting
- b) A policy for selection of goods for which technical regulations need to be issued in public interest.

TEXPROCIL E-NEWSLETTER

Edited & Published by:
Siddhartha Rajagopal

Editorial Team

N. Ravindranathan,
Rajesh Satam, A. Ravindrakumar,
Shailesh Martis, Sanjay Rane

Ideas & contributions are welcome at:
texprocil1@gmail.com; mktg@texprocil.org

Editorial & Publishing Office at :



The Cotton Textiles Export Promotion Council

Engineering Centre, 5th floor, 9, Mathew Road,
Mumbai – 400 004. India.
Tel: +91 22 23632910 to 12
E-mail: info@texprocil.org

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COVER STORY
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Need for an Indian National Strategy for Standardization

- c) A policy selection for those services in which technical regulations persist (For example, Banking and Insurance)
- d) Strategies for effective utilization of accreditation and other conformity assessment activities carried out in India and by Indian entities outside the country
- e) Milestones for the development of a harmonized, dynamic, and inclusive quality infrastructure.

Stakeholders:

The following stakeholder groups have been identified for the INSS:

1. Standards Setting Bodies
 - Bureau of Indian Standards: National Standards Body.
 - Other Standards Developing Organizations (SDOs)
 - * Sectoral agencies set up by Central ministries and State Governments
 - * Voluntary organizations having sectoral specialization
 - * International standard bodies operating in India
2. Conformity Assessment Bodies
 - Accreditation bodies – National Accreditation Board for Certification Bodies (NABCB) / National Accreditation Board for Laboratories (NABL)
 - Conformity Assessment bodies such as laboratories, inspection bodies, product certification bodies, management systems, certification bodies, personnel certification bodies.
3. Regulatory Bodies
 - Independent Regulatory Bodies set up by Central / State Governments
 - Ministries / Nodal Departments under Central / State Governments directly functioning as regulators
 - Bodies notified under various Acts, Quality Control Orders for enforcement work at Central / State level
4. Standards Users
 - Industry, service organizations, and their business membership organizations
 - Supply Chain operators: Importers and exporters; Distributors; Retailers
 - Organized Buyers
 - Consumers and advocacy groups

5. Others
 - Organizations / individuals participating in standards & technical regulations development activities
 - Academic and research institutions
 - Member countries of SARSO (South Asian Regional Standards Organization)

Strategy (Mission) Components:

The following are suggested as key components of the INSS:

- Positioning standards as a key driver of all economic activities relating to goods and services.
- Developing a comprehensive ecosystem in India with suitable levels at which standards development would take place
- Using standards as an enhancer of competitiveness of Indian goods and services in domestic and international markets.
- Creating an integrated infrastructure for standards, conformity assessment (including accreditation), and technical regulations in India.
- Creating institutions to develop timely and calibrated responses to international developments and market intelligence for the same.
- Developments on technical regulations, standards, and conformity assessment practices that impede market access of Indian goods and services
- Aligning the INSS with the National Trade Policy, Industrial Policy, and other policies related to environment, consumer, labour market, assessment activities, technical regulations.

Standards are an important part of a nation’s development towards a more responsible and harmonized system. However as a country this needs to be done by recognizing the various regional inequalities and taking cognizance of the differing comparative advantages of the various States in the Union.

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Avail of more detailed information on
EXIM POLICY
at **TEXPROCIL GRIEVANCE REDRESSAL CELL**
email: ravikumar@texprocil.org

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Networking Reception with Fashion Extravaganza

FASHION
Fiesta

16th November 2017 | Hotel Taj Samudra, Colombo

EXHIBIT PROFILE

YARNS | APPAREL FABRICS | DENIM FABRICS
CLOTHING ACCESSORIES | TRENDS & DESIGN STUDIOS
CAD/CAM | SOLUTIONS TESTING & CERTIFICATIONS
ALLIED SERVICES

EXHIBITING COUNTRIES

INDIA | PAKISTAN | SRI LANKA | BANGLADESH | CHINA |
JAPAN | KOREA | TAIWAN | TURKEY | HONG KONG | MALAYSIA
| ITALY | INDONESIA | SINGAPORE | SOUTH AFRICA
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SPECIAL FEATURE

TEXPROCIL's Presentation on Drawback Proposals

The Government has constituted the Drawback Committee consisting of Shri G.K.Pillai (Chairman of the Committee), Shri Gautam Ray and Shri Y.G.Parande. The Committee had visited Mumbai for two days from April 27-28, 2017 along with Shri Dinesh Kumar Gupta, Director (Drawback) to take the views of the Export Promotion Councils regarding the Drawback Scheme under the GST regime.

The Council made a presentation on the Drawback Scheme before the Committee on April 27, 2017 .

The gist of the Council's presentation are as follows :

The present Drawback Scheme refunds the incidence of Customs duty , Central Excise duty and Service tax at the input stage on the export product .

GST would replace the following taxes :

- (i) Taxes currently levied and collected by the centre - Central Excise duty, Duties of Excise (Medicinal and Toilet Preparations), Additional Duties of Excise (Goods of Special Importance), Additional duties of Customs (commonly known as CVD) , Special Additional duty of Customs (SAD), Service Tax and Central Surcharges and Cesses so far as they relate to supply of goods and services .
- (ii) State taxes that would be subsumed under the GST are – State VAT, Central Sales Tax, Luxury Tax, Entry Tax (All forms), Entertainment and Amusement Tax (except when levied by the local bodies), Taxes on advertisements, Purchase Tax, Taxes on advertisements, Purchase tax, Taxes on lotteries, betting and gambling and State Surcharges and Cesses so far as they relate to supply of goods and services.

The following Central duties / taxes which will not be subsumed under GST should be factored in the Drawback rates under the GST regime :

- (a) Basic Customs duty, (b) IGST on imports, (c) CGST

(to the extent credit is not available under GST) – Eg. Works contracts relating to Building etc., (d) Central Excise Duty on Petroleum products i.e Crude Oil, HSD, Petrol , ATF and Natural Gas, (e) Clean Energy Cess on import of Coal (f) BCD/ CGST/IGST on Capital equipments used for generation of power.

The following State levies which will not be subsumed under GST are to be factored in the Drawback rates under the GST regime –

- (a) VAT on petroleum products i.e crude oil, HSD, Petrol, ATF and natural Gas (b) Electricity duty (c) Cross Subsidy and Additional surcharge on power purchase (d) SGST (to the extent credit is not available under GST) (e) Stamp duty on immovable property (f) Market Committee Fee charged on cotton (g) blocked input tax credits for producing cotton by farmers like GST paid on seeds, fertilizers, pesticides, capital equipment etc.

ROSL (Rebate of State levies) on exports of Made ups 2016

The Government has announced the ROSL Scheme for exports of Made ups to provide rebate of State levies comprising of State VAT/CST on inputs including packaging, fuel, duty on electricity generation and duties and charges on purchase of grid power, as accumulated through the stages of production from yarn to finished Made ups.

State VAT will be subsumed under GST. As a result, according to the Department of Revenue, the ROSL rates works out to be approximately 0.4%. During the presentation, the Committee advised to identify State levies that are not refunded through the GST mechanism and to represent to the Ministry of Textiles to include these duties / taxes under the ROSL. The Council will do the needful in the matter.

The Council will also prepare product wise proposals for Drawback rates under GST which will be submitted to the Government shortly.

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TRADE NOTIFICATION

MEMBERSHIP SATISFACTION SURVEY

Dear Member,

The Council has recently obtained ISO-9001:2008 Certification. As part of the ISO documentation concerning 'Customer Satisfaction' we are seeking feedback from our Members on the services offered by the Council. Accordingly kindly fill in your complete information below and respond to the questions below by tick (✓) marking appropriate response in the space provided or with suggestions in brief wherever necessary. We value your association with us and prompt feedback.

COMPANY INFORMATION

Name of the Company	:	
Contact Person & Designation	:	
TEXPROCIL Membership (RCMC) No.	:	
Email Address & Website	:	

1) Kindly rate the following services offered by Texprocil on rating of 5 to 1. in order to serve you still better.*
 5= Excellent, 4=Good, 3 = Satisfactory, 2 = Needs Improvement., 1 = Not Availed (N.A.)

Membership	Rate Here	Trade Development	Rate Here	Trade Promotion	Rate Here	Trade Services	Rate Here	Trade Intelligence	Rate Here
Procedure for New Membership	<input type="text"/>	Publication: E-Newsletter	<input type="text"/>	Intl. Fairs & Events	<input type="text"/>	Certificate of Origin	<input type="text"/>	Interactive Website	<input type="text"/>
Membership Renewal	<input type="text"/>	E-serve	<input type="text"/>	Seminars & Workshops	<input type="text"/>	Grievance Redressal Services	<input type="text"/>	E-News Clippings	<input type="text"/>
RCMC Amendment	<input type="text"/>	Circulation Trade Enquiries Award	<input type="text"/>	MDA/MAI Schemes	<input type="text"/>	Information on Exim policy/Amendment DBK	<input type="text"/>	Information Disseminated	<input type="text"/>

2) a. Are you generally satisfied with the services actively availed by your company and marked above? Tick (✓)	YES	<input type="text"/>	NO	<input type="text"/>
b. If you have replied 'no' above, please suggest how the Council can improve the services (use additional sheet if required)	Suggestions:			

3) How is your company benefitting from the Exhibitions / BSMs being organized by the Council? Tick (✓)	Accessing new Markets	<input type="text"/>	Generating additional business	<input type="text"/>
Others (Pls. Specify):	Making new Contacts (Trade Enquiries)	<input type="text"/>	Any Others	<input type="text"/>

4) How is your company benefitting from the Export Facilitation services being provided by the Council?	Information on Export Policy / Procedures	<input type="text"/>	Responses to various EXIM queries	<input type="text"/>
Others (Pls. Specify):	Redressal of Trade related grievances	<input type="text"/>	Any Others	<input type="text"/>

5) Have you recommended TEXPROCIL Membership to other companies? Tick (✓)	YES	<input type="text"/>	NO	<input type="text"/>
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6) Do you have any other suggestions to offer regarding TEXPROCIL Member Services? (use additional sheet if required)	Suggestions:			
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*Kindly ignore this feedback form, if you have already responded.

Join Us... Now! Avail info. on Membership Benefits on email : info@texprocil.org

**TRADE
NOTIFICATION****TEXPROCIL MEMBERSHIP
ANNUAL RENEWAL SUBSCRIPTION**

The Registration as well as Renewal fees for membership of the Council has been revised w.e.f. 01.04.2017.

Accordingly New Registration Fee Structure is as follows:-

Type of Membership	Amount (Rs.)	Service Tax @ 15%	Total Amount (Rs.)
Member (with Voting Right) (including Rs.6000/- as Entrance Fee)	17000/-	2550/-	19550/-
Registered Textile Exporter (including Rs.3000/- as Entrance Fee)	9000/-	1350/-	10350/-

The Annual Renewal Subscription amount for the financial year 2017-2018 (due from 1st April, 2017) is as follows:-

Type of Membership	Amount (Rs.)	Service Tax @ 15%	Total Amount (Rs.)
Member (with Voting Right)	11000/-	1650/-	12650/-
Registered Textile Exporter	6000/-	900/-	6900/-

Note for Members:

Members are also requested to submit the CA Certificate as per the format given below certifying the Export Turnover for F.Y. 2015-2016 & F.Y. 2016-2017 i.e. the amount of actual FOB value of exports of Cotton Textiles excluding Readymade Garments and Handloom Textiles.

Members may note that the eligibility criterion of annual export turnover is minimum Rs. 2 Crore. Those not fulfilling the criteria will automatically be renewed as RTE i.e. Registered Textile Exporter.

RTEs are not required to submit the CA certificate.

Format of Chartered Accountant Certificate to be submitted by Members only:**CHARTERED ACCOUNTANT CERTIFICATE
(on C.A.'s Letter Head)****TO WHOMSOEVER IT MAY CONCERN**

This is to certify that M/s. _____ (Name and full address of the Member) having IE code No. _____ have exported Cotton / Cotton Yarn / Cotton Fabrics / Cotton Madeups (Excluding Handloom Items / Readymade Garments and Silks, etc.) during the financial year 2015-2016 & 2016-2017 as follows:

Sr. No.	Description	2016-2017 (Rs. FOB Value)	2015-2016 (Rs. FOB Value)
1	Cotton		
2	Cotton Yarn		
3	Cotton Fabrics		
4	Cotton Made-ups		
	TOTAL		

(Stamp & Signature of Chartered Accountant)
(Membership No. of Chartered Accountant)
(Firm Registration No. of Chartered Accountant)

PLACE:

DATE:

Note to Members & RTEs whose RCMC has expired on/before 31.03.2017:

Please apply immediately for renewal of RCMC with the following documents:

- [1] Copy of your Import-Exporter Code (IEC)
- [2] In case of Manufacturer Exporter, a copy of Manufacturing Licence
- [3] In case of changes in Partners, a copy of revised deed of partnership
- [4] In case of changes in Directors, a copy of Form 32/DIR-2 or Board Resolution for those who have resigned or newly appointed.

(For any further queries please write to Mrs. Smita Dalvi on email : smita@texprocil.org)