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## HAPPY NEW YEAR 2017



## CHAIRMAN'S MESSAGE



Dear Friends,

The first fortnight of December brought some cheer to the Cotton Textiles export sector as exports during the month of November moved into positive territory marking a marginal increase of around 0.5%. This is an encouraging sign, as we hope to build on it in the coming months as the global markets show some signs of revival.

### Meeting with Hon'ble Minister of Textiles

We also took the earliest opportunity during the fortnight and met the Hon'ble Minister of Textiles and the Secretary Textiles on 9 December 2016 to express our sincere gratitude to them for announcing the "Special Package" for Made-ups along the lines of the Garment sector. We are awaiting the

issuance of the notification shortly so that we can all redouble our efforts to provide employment to around 11 lakh people as envisaged under the package during the next three years.

### Opening of Bank Accounts and Moving towards Digital Payment Modes

During our meeting, the Hon'ble Minister also requested Texprocil to intensify its efforts to encourage the member exporters to open bank accounts for all their workers and employees and ensure that wages are paid to them only by way of cheques. The Ministry has also directed all the Export Promotion Councils including Texprocil to facilitate the organizing of camps so that the workers/ employees are also trained to use mobile applications and digital modes of payments.

Friends, the Council has sent out detailed circulars to all members to organize camps at their premises

to open bank accounts and train workers in the use of mobile apps. I am happy to note that many of our members responded positively to our call and are making efforts to ensure that all payments to their workers are made through banking channels. In this connection, we would like to make a special mention of the initiatives taken by Century Textiles, Indo - Count Industries, Loyal Textiles, Nitin Spinners, Ratan Textiles, Trend - Setters.

I am sure other members are also making efforts in this direction, as friends, it is our national duty to extend full support to the Hon'ble Prime Minister's initiatives to reform the financial system as part of the "Digital India" programme.

We would also request all the members to share with the Council details of the camps / special efforts undertaken by them to open bank accounts and train the workers/ staff in the factories to use digital modes

## CHAIRMAN'S MESSAGE

## CONTINUED FROM PAGE 1

of payment during the period from 8 November to 31 December, 2016 so that we can keep the Ministry of Textiles posted about our initiatives in achieving the Government's objectives.

### Stake- Holders Meeting on GST

We also attended a stakeholders meeting convened by the Hon'ble Minister of Textiles on 17 December, 2016 to discuss the implications of GST on the Textile sector. A Presentation was made by officials of the Ministry of Finance on various aspects of GST as they impact on the textile sector.

We raised issues relating to the export sector like exemption from GST for payment of overseas commission, exemption for merchant exporters, utilization of Duty Credit Scrips issued under the Foreign Trade Policy for payment of CGST and SGST in addition to payment of Basic Customs Duty etc.

It is becoming increasingly clear that all of us must familiarize ourselves with the procedures thoroughly, as we all manufacture a variety of product lines at any given point of time which require a wide range of inputs and which often move from state to state prior to final packaging. Each of these transactions will have to be reported, recorded and reconciled to ensure seamless operations!

Considering the nature and complexities of the textile industry in our country, the task ahead is daunting but needs to be done!

### Dr Saumitra Chaudhuri- Friend, Philosopher and Guide of the Textile Industry

Finally, Friends, as we conclude this column, we are in receipt of the sad news about the sudden demise ( due to Cancer) of Dr Saumitra Chaudhuri, former Member of the Planning Commission and member of the erstwhile Prime Minister's Economic Advisory Council during the previous UPA Government

Texprocil interacted with him very closely as he was also the Chairman of the Committee for Formulation of All industry Rates of Duty Drawback from 2005-2006, till date.

Of friendly demeanor, Dr Saumitra Chaudhuri was easily accessible and many of us came to know him closely. He was a willing listener and had a deep understanding of the various issues affecting the textile sector. He personally ensured that all segments of the long and complex textile value got their fair share of rebates by way of reimbursements of drawback amounts.

Till the end, he remained a true friend, philosopher and guide not only for Texprocil but the entire Textile Industry.

All of us, at Texprocil mourn his loss. May his Soul rest in peace.

**Ujwal R Lahoti**  
Chairman

**:: TEXPROCIL ::**



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## COVER STORY

TEXPROCIL initiates drive to promote  
'Digital India & Cashless Transaction'

The Digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy. "Faceless, Paperless, Cashless" is one of professed role of Digital India.



## TEXPROCIL E-NEWSLETTER

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## Modes of Digital Payment

As part of promoting cashless transactions and converting India into less-cash society, various modes of digital payments are available. These mode are: Banking Cards, Unstructured Supplementary Service Data (USSD) channel, Aadhaar Enabled Payment System (AEPS), Unified Payments Interface (UPI), Mobile Wallets, Banks Pre-paid Cards, Mobile & Virtual Point of Sale (POS), Internet Banking, Mobile Banking, Micro ATMs.

Apart from the above, it has been observed by the Government that a large number of textiles workers have been traditionally paid wages in cash as they were not having bank accounts. In order to ensure payment of wages through bank transfer mode, it is necessary that camps are organized at various production centres for educating textile workers to adopt digital transactions and facilitating opening bank account to workers who do not have the same.

## Drive for Digital India &amp; Cashless Transaction

In this connection the Council had appealed each of the Member companies to organise camps at their offices / factories so as to facilitate the employees/workers in opening bank accounts and send weekly feedback to the Council so as to keep the government updated in the matter. The Council had also sought information on new accounts being opened in case the new employees in the companies being already in the process of opening bank accounts.

## First Workshop - Birla Century Textile Plant

TEXPROCIL participated at 'Digital India Workshop – Cashless Transaction' organised at Birla Century Textile Plant at Jhagadia, Bharuch, Gujarat State from 13th to 17th December 2016. The workshop, one of the first of its kind, was organised in collaboration with

## COVER STORY

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# TEXPROCIL initiates drive to promote 'Digital India & Cashless Transaction'

SBI & HDFC Bank and was attended by well over 500 workers, staff and other dignitaries. The objective of the workshop is to empower workers to make cashless monetary transactions using electronic devices and channels.

Shri R K Dalmia, President – Century Textiles & Industries Ltd. and Immediate Past Chairman of TEXPROCIL inaugurated the workshop in the presence of Shri Upendra Dalwadi – SBI Regional Manager and Shri Kurshed Mistry, HDFC Cluster Head. Welcoming all to the workshop Shri Dalmia expressed his integral support to the Demonetization and Cashless Transaction initiatives of our visionary Prime Minister Hon'ble Shri Narendra Modi.

Guided by the initiatives being undertaken for the Textiles Sector under Smt Smriti Zubin Irani, Hon'ble Union Minister of Textiles, Shri R K Dalmia stated that this initiative will educate and empower their workers for making digital payments and within the upcoming six months digitally upgrade the lives of around 1500 workers and 230 staff members at Jhagadia unit.

The inaugural function was followed by technical presentations from the expert teams from SBI and HDFC Bank. These sessions were simplified and adapted the regional dialects to meet the understanding of workers and staff. The banks also extended special benefits to the workers adopting the digital method during the workshop period.

### Series of Workshops

TEXPROCIL took forward the initiative by appealing its members to conduct the 'Digital India' workshop model in other textile centres across the country so that more workers can benefit from the digitalisation initiative.

Drawing inspiration from the campaign, many other TEXPROCIL member companies viz. Ratan Textiles at Jaipur in Rajasthan, Trendsetters K.F.T.Z. at Kutch in Gujarat, Lakshmi Mills at Palladam Unit and Kovilpatti unit in Coimbatore and THIAGARAJAR MILLS at Kappalur in Madurai held workshops for their workers. TEXPROCIL members continue to report on their participation in the 'cashless' movement.



### Government Aspirations

The government has been working hard to promote digital payment systems to consumers, proactively offering different incentives and rewards. So far, it seems to be working: the government has reported a 400-1,000% increase in digital transactions since November 2016.

The changes have created perfect market conditions for alternative digital payment systems, in addition to existing e-wallets and debit/credit cards. These are not just the basic banking apps or websites either. The National Payments Corporation of India, together with the RBI, has launched UPI ("united payment interface"), which powers multiple accounts from participating banks, and offers several banking services all in a single mobile application.

A step in the right direction certainly, but not one without its problems. Although India has around 220m smartphone users as of February 2016, there is still a long way to go until 100% of the population has mobile internet access.

Nevertheless, the banks have made sure that smartphone ownership is not a barrier to accessing mobile payments, providing a USSD option on older, "non-smart" phones which users call up for. In addition, the "Digital India Initiative" has been set up to provide internet access and comprehensive mobile phone coverage across India,



Avail of more detailed information on  
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**COVER STORY**

**TEXPROCIL initiates drive to promote 'Digital India & Cashless Transaction'**

helping over a billion people to get online and utilise digital payment techniques.

Furthermore, the RBI has been promoting a biometric authentication system for banking. The Aadhaar Enabled Payment System (AEPS) can be used to open a bank account, withdraw or deposit cash, and transfer funds using just an identification number and fingerprint.

AEPS was created to serve remote towns and villages where cash machines cannot be provided. It has the potential to be the cornerstone of the government's vision of a cashless digital society – if it can penetrate deeply enough into rural India.

**Paving way for Cashless economy**

The people of India are the biggest hurdle in the implementation of the cashless strategy. By and large, they have welcomed the beginnings of a cashless society, albeit with some opposition to the demonetisation implementation. Many can already see the benefits of going cash-free – such as the ability to tender exact change at small retailers, and keep track of expenditures – and are ready to adopt.

The opportunity is there, and the Indian authorities are certainly keen to take it. The interdepartmental approach by the government, working on finance, internet

penetration and public relations strategies all at once is essential to making the cashless plan work.

Furthermore, the cashless initiative needs comprehensive pan-India awareness, especially in more rural areas. Participation by rural and cooperative banks, post offices and other financial institutions to create awareness and education programmes will ultimately pave the way for a cashless economy.

**:: TEXPROCIL ::**



**PRESS  
RELEASE**

**TEXPROCIL welcomes  
Package for Made ups**



62nd Annual General Meeting of TEXPROCIL was held on 21st November 2016 in Mumbai. Shri Ujwal Lahoti (extreme left) , who was earlier holding the post of Vice Chairman, has taken charge as Chairman, TEXPROCIL w.e.f. 21.11.2016, after the completion of the tenure of Shri R K Dalmia (3rd from Right). Dr. K V Srinivasan (2nd from Right) has also been duly elected as Vice Chairman of the Council.

The much awaited package for the made ups sector has been approved by the Union Cabinet with the primary objective of creating large scale direct and indirect employment of upto 11 lakh persons over the next three years in this sector.

Shri Ujwal Lahoti , Chairman of the Cotton Textiles Export Promotion Council ( TEXPROCIL) extended his thanks to Shri Narendra Modi , Hon’ble Prime Minister for his visionary outlook towards employment generation . He conveyed his special thanks to Smt.Smriti Irani , Hon’ble Union Minister of Textiles , Smt Rashmi Verma, Secretary of Textiles and the entire Ministry of Textiles for having kept the promise of extending the special package for apparels to the made ups sector also.

Welcoming the package , Shri Ujwal Lahoti said, “This a positive move by the Government which will give a big boost to exports of made ups and also generate employment opportunities”. Shri Lahoti pointed out that this announcement has come as a relief to the exporters of made ups who are passing through a difficult phase as their products faces duty disadvantage in the main market of EU as compared to products from competing

countries on account of preferential tariffs given to some of them.

The package includes similar measures given to apparels such as additional 10% subsidy under Technology Upgradation Fund Scheme (TUFS), additional contribution under Pradhan Mantri Rozgar Protsahan Yojana (PMRPY) and the Rebate of State Levies (ROSL). The made ups sector generates employment opportunities for women and in rural areas and the Government has recognized this potential while announcing the measures, according to the Chairman, TEXPROCIL.

The permissible overtime has been increased upto 100 hours per quarter and the employees’ contribution to EPF has been made optional for employees earning less than Rs.15000 per month . According to Shri Lahoti , these measures will go a long way in bringing about labour reforms in the sector besides enhancing the benefits to the workers.

**:: TEXPROCIL ::**



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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.

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

The annual renewal subscription amount for the financial year 2016-2017 (due from 1st April, 2016) is as follows: -

- 1) **MEMBER EXPORTER** - RS. 11,500/- ( MEM FEES 10,000 + S. TAX 1,500 )  
 2) **REGISTERED TEXTILE EXPORTERS (RTE)** - RS. 5,750/- ( MEM FEES 5,000 + S. TAX 750 )

**Special Discount:** Texprocil is announcing a special discount scheme for those who wish to renew their membership for a period of 3 or 5 years as follows:

Period	Membership Fees		Discount Slab	Discounted Fees		Benefit to Exporters	
	RTE	Member		RTE	Member	RTE	Member
For 3 years	15,000	30,000	10%	13,500	27,000	1,500	3,000
For 5 years	25,000	50,000	15%	21,250	42,500	3,750	7,500

[RTEs and Members have to pay service tax on the discounted amount at the rate of 15%.]

**Note for Members:**

Members are also requested to submit the CA Certificate as per the format given below certifying the Export Turnover for the financial years 2014-2015 & 2015-2016 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 2014-2015 & 2015-2016 as follows:

Sr. No.	Description	2015-2016 (Rs. FOB Value)	2014-2015 (Rs. FOB Value)
1	Cotton		
2	Cotton Yarn		
3	Cotton Fabrics		
4	Cotton Made-ups		
	<b>TOTAL</b>		

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

**PLACE:**

**DATE:**

**Note to Members & RTEs whose RCMC is expiring on 31.03.2016:**

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](mailto:smita@texprocil.org))