Dear Friends,

This issue of the Newsletter is a combined issue focussing on the events during the period April 15, to May 15, 2018.

India’s merchandise exports during 2017-18 are valued at US $ 302.84 billion registering a growth of 9.78 per cent in dollar terms vis-à-vis 2016-17. While one may cheer that exports have crossed the US $ 300 billion after two years of subdued performance, it has been a cause of concern for exporters and policy makers as the ratio of merchandise exports to gross domestic product (GDP) is at 11.6% recording a 14-year low.

As per the provisional data released by the DGFT, during the F.Y 2017-18, the exports of Cotton Textiles have recorded a growth of 6.08% achieving a level of US $ 10.79 billion as against a level of US $ 10.17 billion in F.Y 2016-17. However, garment exports have recorded decline of -3.81% reaching a level of US $ 16.70 billion in F.Y2017-18 as against a level of US $ 17.37 billion in F.Y.2016-17.

The disappointing export performance can be attributed to various factors including the unforeseen disruptions caused by the implementation of GST. The delay in getting GST refunds, along with the cost of blocked capital and the interest cost has put severe pressure on the exporter’s finances.

Friends, our interactions with the Government at various forums indicates that there is an all-round sense of worry as export growth along with investment remains the key for higher GDP growth. On its part, the Council actively advocated various issues affecting exports at all the available forums during the month gone by like the “Farm to Fashion Summit 2018” held in Ahmedabad, Gujarat from 4-6 May 2018 at the meeting of the DGFT Panel set up on formulating “Alternate Scheme for Exports” by the Ministry of Commerce, making representations to the highest offices for expanding the scope of ROSL, etc.

As we write this column, we are happy to inform you that the Government of India, O/o the DGFT has extended the MEIS Scheme beyond 30th June 2018 vide Public Notice 07/2015-2020 dated 11.05.2018. This is a welcome step as it puts to rest uncertainty in the trade and industry.

Farm to Fashion Summit 2018

The Gujarat Chamber of Commerce and Industry (GCCI) and Maskati Cloth Market Mahajan organised the ‘Farm to Fashion - Indian Textile Global Summit 2018’, during May 4-6, 2018 at Ahmedabad, Gujarat. The Summit was inaugurated by Union Commerce and Industry Minister, Shri Suresh Prabhu who stressed on the need to promote the textile industry to give a boost to the manufacturing sector. Hon’ble Minister stated that the manufacturing sector contributes only 16 percent
to the country’s GDP, at present which is not enough for a sustainable economy. It is therefore necessary to scale up the Textile sub-sector’s contribution to the manufacturing sector by exploring new markets for Indian fabrics, garments and apparels in order to boost exports.

During the Summit, I had the occasion to present my views as a panellist at the session on “Yarn Industry - Growth driven by Innovation and Value Addition” and gave suggestions on the steps necessary to ensure that India retains its position as a numero uno supplier of cotton yarn to the world.

Meeting with the Hon’ble Minister of Commerce and Industries

On the side lines of the Forum, I met the Hon’ble Minister of Commerce & Industry, Shri Suresh Prabhu and apprised him of the issues affecting textile exports. He appreciated the concerns and stated that Government is committed to help the exporters in all possible manner. Accordingly, we are following up various matters of export growth with his office.

Rejuvenating Export Growth

In order to rejuvenate textile exports, we attended a meeting at the Prime Minister’s office on 21st April 2018 to discuss extension of ROSL Scheme to Fabrics sector. The response at the highest levels was very positive and it is hoped that favourable decision is taken in this regard.

The Technical Advisory – cum - Monitoring Committee (TAMC) of the Office of the Textile Commissioner also held its meeting on 4.05.2018 and progressively introduced many reforms including doing away with the requirement of ISO 9000 certification for enlistment of textile machinery manufacturers; recommending the inclusion of “standalone embroidery units” under garment/apparel/made-up segment of ATUFS; and placing the indicative list of around 1700 textile machinery manufacturers enlisted under ATUFS on the website of txcindia.gov.in.

All these steps aimed at “easing the doing of business” should boost the investments in our sector.

Meeting with the Hon’ble Minister of Textiles

Hon’ble Minister of Textiles, Smt. Smriti Zubin Irani, and the Secretary, Ministry of Textiles also held a meeting with Industry representatives from all sectors on 9th May 2018 to discuss various issues including the enhancement of rates of ROSL, alternate schemes and duty drawback rates. The HMOT assured all the members that the Government would extend full support in ensuring that export benefits are not curtailed and all the taxes are reimbursed through ROSL and Drawback rates. Towards this end, the industry and trade was advised to submit data urgently to the HMOT so that it could be forwarded to the concerned Ministries of Commerce & Finance for favourable consideration. Accordingly, Texprocil has submitted the data on “embedded taxes” for cotton yarn, fabrics and made-ups to the HMOT.

MOC Panel under DGFT

With the US questioning India’s export subsidies at the World Trade Organisation (WTO), the Government has speedily set itself on identifying alternative ways to support exporters without facing challenges at the multilateral forum.

A Committee has been set up under the Director General of Foreign Trade (DGFT) to look into the existing export promotion schemes and suggest alternatives. Texprocil has also been included as a member of the Committee. The idea is to identify the non-compatible provisions and to look for alternatives schemes which are in line with the WTO Agreement on Subsidies and Countervailing Measures (ASCM).

In case members have any suggestions in this regard, they may forward it to the Council on an urgent basis as the said Committee is expected to submit its report in two months.

Way forward

Friends, the time is right for not staying confined to a “business as usual” approach but look at some “breakthrough” ideas, which can help us make a paradigm shift in our sector. The Council, on its part, has been representing to the Government on various matters of interest to the textile exporters including increasing the rates of drawback and higher rebate of state levies. In this connection the Council held several segment-wise meetings of its member exporters at its H.O. in Mumbai in order to compile the relevant data to support our claims.

As we continue to work on the reforms, we appeal to the government to expeditiously announce the rollover of the already operational schemes from the present deadline of June 2018 till March 2019. The exporters are being constrained largely due to increased input costs on account of blocked capital for the want of timely GST refunds and other government dues. To enable exports to be globally competitive there is a need to zero-rate our exports for taxes and speedily devise WTO compliant alternate schemes to reimburse exporters their justified dues along with increasing Drawback and ROSL rates. One must understand that if and only if the stakeholders are well facilitated, can the industry become globally competitive and become world leaders.

Ujjwal R Lahoti
Chairman

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The scheme, approved by the Cabinet Committee on Economic Affairs on 20th of December last year, is intended to provide demand driven, placement oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes to incentivize and supplement the efforts of the industry in creating jobs in the textiles sectors. The scheme targets to train 10 lakhs persons (9 lakhs in organised and 1 lakh in traditional sector) over a period of 3 years (2017-20), with an outlay of Rs. 1300 crore. The guidelines of the scheme were released on 23rd of April 2018.

Introduction

The textile and apparel industries is one of the earliest industries developed in India. Its entire value chain from fibre to apparel manufacturing has a strong presence within the country. It is the biggest employer after agriculture. In order to meet the skill gap within the industry and also to supplement the efforts initiated through the Special Package for Garments and Madeups, the Government has approved the new scheme titled “Scheme for Capacity Building in Textiles Sector (SCBTS)” for the entire value chain of textiles except Spinning and Weaving.

Objectives of the Scheme

(i) To provide demand driven, placement oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes to incentivize and supplement the efforts of the industry in creating jobs in the organized textile and related sectors, covering the entire value chain of textiles, excluding Spinning and Weaving.

(ii) To promote skilling and skill upgradation in the traditional sectors of jute, handlooms, handicrafts and sericulture.

(iii) To enable provision of sustainable livelihood either by wage or self-employment to all sections of the society throughout the Country.
Institutional Mechanism
Towards supervision, planning, monitoring, implementation, evaluation and grievance redressal related to the scheme, various committees have been constituted and authorities been assigned including the Inter Ministerial Committee (IMC), Empowered Committee (EC), Division In-charge “Samarth”, Project Management Unit (PMU), Resource Support Agency (RSA), and Proposal Evaluation Committee (PEC).

Implementation Framework
Overall framework for implementation including costing for the capacity building programmes will be in alignment with the broad policy framework for skill development viz. Common Norms, National Skills Qualification Framework (NSQF), etc. adopted by Ministry of Skill Development and Entrepreneurship (MSDE). The scheme will include Entry level courses and Training of Trainers programmes.

The skilling programmes will be implemented through a list of specified Implementation Agencies (IAs), whose selection parameters, approval of Training Centres and their Branding Support have been detailed in the RESOLUTION been adopted for the Scheme.

Mobilization & Selection of Trainees
The implementation agencies will be responsible for mobilization and selection of the trainees, keeping in view the requirement of the industry and other stakeholders in a transparent manner by giving opportunity for all willing persons. Preference will be given to marginalized social groups like women, SC/ST, differently abled persons, minorities, persons from BPL category, and 115 aspirational districts notified by the NITI Aayog. In addition the Ministry will operationalise a web and Mobile App based platform where also the interested candidates can indicate their willingness to undergo training.

Placement & Post Placement Tracking
The implementing agencies would take all the steps to partner with industry and obtain commitment of the industrial units for employment of the successfully trained candidates. Each candidate will be tracked by IA for a period of one year from the date of certification of training. IAs will upload details on Monitoring and Management information System (MIS) which will have a structured grievance redressal facility to register grievance of any stakeholders on web and the same shall meet redressal within prescribed timelines.

Online Details of SAMARTH
Detailed “Guidelines of SAMARTH: Scheme for Capacity Building in Textiles Sector (SCBTS)” are available under the “Schemes” section of the Ministry of Textiles website and can be downloaded on the website link: http://texmin.nic.in/sites/default/files/SCBTS-Guidelines.pdf

Meeting to familiarize the stakeholders
The meeting to familiarize the stakeholders was held in New Delhi on May 9, 2018 and was chaired by Union Minister of Textiles, Smt Smriti Zubin Irani. Minister of State for Textiles, Shri Ajay Tamta and Secretary, Textiles, Shri Anant Kumar Singh also addressed the stakeholders. The concerns of the stakeholders and challenges faced by them during implementation of the previous scheme were discussed in the meeting. Feedback from the concerned stakeholders on how the scheme can contribute and benefit the textile industry and boost skill development in the respective sector was also discussed.

The meeting was attended by the senior officials of the Textiles Ministry, institutions and organizations under it, representatives of textile industry, State Governments, training institutions among others.

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THE BIGGEST INTERNATIONAL APPAREL TEXTILES SOURCING EXHIBITION OF SOUTH ASIA

4th Edition

Intex South Asia 2018
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Gateway to South Asia & Beyond

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Show Highlights

- Country Pavilions
- Fashion Fiesta
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- Launch new textile products for South Asia
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ABOUT THE SHOW

Intex South Asia the biggest and only international textiles sourcing show of our region brings together the entire supply-chain and value-chain for the textiles and apparel industry under one networking platform.

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This comprehensive sourcing & trading platform for global apparel manufactures, international sourcing & buying offices, buying houses, apparel brands & retailers, etc. will assist to source and connect with quality suppliers of yarns, apparel & denim fabrics, clothing accessories, dyes & chemicals and other allied services from South Asia, South-East Asia and other international markets.

Grab this opportunity to penetrate your latest textile innovation across South Asia and beyond and connect with potential buyers @ Intex South Asia 2018!

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➢ A one-stop-shop for buyers to view textile products and services from around the world
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➢ Connect and Network with the leading companies from Sri Lanka, South Asia and other International markets
➢ Re-inforce business with existing customers & Meet local agents and buyers looking for new suppliers
➢ Explore trade and investment opportunities in South Asia
➢ Research and compare pricing during the event
➢ Interact with other industry professionals and media

SHOW HIGHLIGHTS

• 250+ suppliers from 15+ countries and regions
• Country Pavilions from Taiwan, Turkey, China, India, Sri Lanka, Pakistan, Bangladesh & more
• Fashion Fiesta – Networking Reception & Fashion Extravaganza
• Interactive Business Forum and Workshop
• VIP Platinum Lounge
• International Media Corner
• Access promotion of your textile products and services through different channels and mediums

EXHIBITORS PROFILE

- Yarns
- Apparel Fabrics
- Trends & Design Studios
- CAD/CAM Solutions
- Testing & Certifications
- Denim Fabrics
- Clothing Accessories
- Dyes & Chemicals
- Allied Services

PARTICIPATING COUNTRIES

Bangladesh | China
Hong Kong | India | Indonesia
Korea | Malaysia | Pakistan
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HMOT Meeting of Stakeholders on SAMARTH Scheme
New Delhi - May 9, 2018

Hon’ble Minister of Textiles
Smt Smriti Zubin Irani chaired the meeting of Stakeholders on ‘Samarth’- Scheme in New Delhi on May 9 2018

Hon’ble Minister of Textiles, Smt Smriti Zubin Irani (Seen in above pic. extreme Right) in a discussion with industry captains at the Meeting on Samarth Scheme.

Hon’ble Minister of Textiles, Smt Smriti Zubin Irani was accompanied by Shri Ajay Tamta, Minister of State for Textiles (Seen in left pic. extreme Right)

TEXPROCIL - E&Y Presentation on “Reimbursement of Embedded Taxes”

TEXPROCIL - E&Y Presentation on “Reimbursement of Embedded Taxes” was made to Ministry of Textiles on 11th May 2018 in New Delhi

A large number of industry captains attended the meeting and actively participated in the discussions.

Shri Ujwal Lahoti (Right), Chairman, TEXPROCIL welcomes Smt Babni Lal Economic Advisor, Ministry of Textiles (Seen Left above)

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MEETING WITH EXPORTERS

SIMA organized a meeting of exporters at its premises in Coimbatore on May 5, 2018. About 40 exporters participated in the meeting. Dr. Selvaraju, Secretary General, SIMA gave an overview of the various issues faced by the Cotton textiles sector.

Shri A. Ravi Kumar, Joint Director, TEXPROCIL made a presentation on Export Promotion of Technical textiles. The presentation covered areas such as global technical textiles market overview, top importing countries of technical textiles, top export markets for technical textiles, different types of packtech products and their usages, factors driving the growth of technical textiles market - both domestic as well as overseas, Indian technical textiles market overview, major export markets for Indian technical textiles products, future domestic market projections, India’s advantage in growing as a global manufacturing hub, Government schemes for technical textiles sector, State level support for technical textiles and the major challenges.

Shri A. Ravi Kumar addressed all the queries and gave suitable clarifications. Dr. Selvaraju said, SIMA will be organizing similar meetings at other centres such as Madurai, Karur and Dindigul very shortly.

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TRADE PROMOTION

SEMINAR ON TECHNICAL TEXTILES

The Department of Handloom and Textiles, Government of Tamil Nadu & Sardar Vallabhai Patel International School of Textiles and Management held a Sectoral programme on Technical textiles in Coimbatore on May 4, 2018. The Chief Guest at the Programme was Thiru C. Munianathan, IAS, Director of Handlooms and Textiles, Government of Tamil Nadu. The programme was attended by about 80 participants.

Shri A. Ravi Kumar, Joint Director, TEXPROCIL made a Presentation on Export Promotion of Technical textiles. The presentation covered areas such as global technical textiles market overview, top importing countries of technical textiles, top export markets for technical textiles, different types of packtech products and their usages, factors driving the growth of technical textiles market - both domestic as well as overseas, Indian technical textiles market overview, major export markets for Indian technical textiles products, future domestic market projections, India’s advantage in growing as a global manufacturing hub, Government schemes for technical textiles sector, State level support for technical textiles and the major challenges.

The participants sought clarifications on various aspects of technical textiles. All the queries were suitably addressed and necessary clarifications were given. Shri A. Ravi Kumar also guided the participants regarding the steps to be taken to find export markets for technical textiles.

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Avail of more detailed information on EXIM POLICY at TEXPROCIL GREIVANCE REDRESSAL CELL
email: ravikumar@texprocil.org
Dear Member,

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

<table>
<thead>
<tr>
<th>Name of the Company</th>
<th>:</th>
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<tbody>
<tr>
<td>Contact Person &amp; Designation</td>
<td>:</td>
</tr>
<tr>
<td>TEXPROCIL Membership (RCMC) No.</td>
<td>:</td>
</tr>
<tr>
<td>Email Address &amp; Website</td>
<td>:</td>
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</tbody>
</table>

1) Kindly rate the following services offered by Texprocil on rating of 1 to 5. in order to serve you still better.*

1 = Excellent, 2 = Good, 3 = Satisfactory, 4 = Needs Improvement, 5 = Not Availed (N.A.)

<table>
<thead>
<tr>
<th>Membership</th>
<th>Rate Here</th>
<th>Trade Development</th>
<th>Rate Here</th>
<th>Trade Promotion</th>
<th>Rate Here</th>
<th>Trade Services</th>
<th>Rate Here</th>
<th>Trade Intelligence</th>
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<tr>
<td>Procedure for New Membership</td>
<td></td>
<td>Publication:</td>
<td></td>
<td>E-newsletter</td>
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<td></td>
<td></td>
<td>Certificate of Origin</td>
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<tr>
<td>Membership Renewal</td>
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<td>E-serve</td>
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<td>Seminars &amp; Workshops</td>
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<tr>
<td>RCMC Amendment</td>
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<td>Circulation</td>
<td></td>
<td>Trade</td>
<td>Enquiries/ Award</td>
<td></td>
<td></td>
<td></td>
<td>MDA/MAI Schemes</td>
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</table>

2) a. Are you generally satisfied with the services actively availed by your company and marked above? Tick (✓)

   YES [ ] NO [ ]

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 benefiting from the Exhibitions / BSMs being organized by the Council? Tick (✓)

Accessing new Markets [ ] Generating additional business [ ]

Making new Contacts (Trade Enquiries) [ ] Any Others [ ]

Others (Pls. Specify):

4) How is your company benefiting from the Export Facilitation services being provided by the Council?

Information on Export Policy / Procedures [ ] Responses to various EXIM queries [ ]

Redressal of Trade related grievances [ ] Any Others [ ]

Others (Pls. Specify):

5) Have you recommended TEXPROCIL Membership to other companies? Tick (✓)

YES [ ] NO [ ]

6) Do you have any other suggestions to offer regarding TEXPROCIL Member Services? (use additional sheet if required)

Suggestions:

*Kindly ignore this feedback form, if you have already responded.

Join Us... Now! Avail info. on Membership Benefits on email : info@texprocil.org
The Annual Renewal Subscription for the financial year 2018-2019 for existing members has become due for payment from 1st April, 2018, as follows:

<table>
<thead>
<tr>
<th>Type of Membership</th>
<th>Amount (Rs.)</th>
<th>GST @ 18%</th>
<th>Total Amount (Rs.)</th>
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<tr>
<td>Member (with Voting Right)</td>
<td>11000/-</td>
<td>1980/-</td>
<td>12980/-</td>
</tr>
<tr>
<td>Registered Textile Exporter</td>
<td>6000/-</td>
<td>1080/-</td>
<td>7080/-</td>
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Note: GST Invoice will be issued on receipt of payment.

For New Registration Fee Structure is as follows:-

<table>
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<th>Amount (Rs.)</th>
<th>GST @ 18%</th>
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</thead>
<tbody>
<tr>
<td>Member (with Voting Right) (including Rs.6000/- as Entrance Fee)</td>
<td>17000/-</td>
<td>3060/-</td>
<td>20060/-</td>
</tr>
<tr>
<td>Registered Textile Exporter (including Rs.3000/- as Entrance Fee)</td>
<td>9000/-</td>
<td>1620/-</td>
<td>10620/-</td>
</tr>
</tbody>
</table>

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 2016-2017 & 2017-2018 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 2016-2017 & 2017-2018 as follows:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Description</th>
<th>2017-2018 (Rs. FOB Value)</th>
<th>2016-2017 (Rs. FOB Value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cotton</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Cotton Yarn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Cotton Fabrics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Cotton Made-ups</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(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 or before 31.03.2018:
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 or DIR-12 or Board Resolution for those who have resigned and newly appointed.

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