Dear Friends,

The coronavirus which was largely concentrated in China is slowly spreading to the rest of the world. In a bid to contain the further spread of coronavirus cases in India, the central government has revised its travel advisory which is getting updated by the day. The lockdown in China – the world’s second-largest economy and a trade powerhouse for most of the countries around the world, is expected to have adverse economic consequences. The most pertinent disruptions are due to the non-delivery of cargo as the ships and planes are being placed into quarantine (and storage) thus greatly affecting the global sales contracts.

As the fear of coronavirus grips the world, it has clearly brought out the hazards of over-dependence on a single source of supply of raw material and the sale of finished goods. De-risking of business has now become a key cornerstone strategy to be adopted by leading brands and stores across the world. Therein lies an opportunity for countries like India who are blessed by the robust presence in the entire textile value chain.

Texworld and Apparel Sourcing Show Paris

The impact of trade disruption due to coronavirus was also felt during the Texworld and Apparel Sourcing Show held at Le Bourget Exhibition Halls 2 and 4 from 10-13 February 2020 in Paris. Despite having a sizeable convergence of global importers at the fair, it was seen that with the Corona Virus situation this year more than 40% of the Chinese booths were not occupied and several major importers also skipped the event.

As a part of its annual export marketing plan, the Council set up an information booth of 18 sqm at the Texworld Show. Overall the Indian participation was 92 exhibitors in Texworld as well as in the Apparel section. An “Interactive Meeting on Incredible Textiles of India” was organized in the Seminar Hall at the venue itself where Indian exhibitors and the Embassy of India spoke on different issues that hamper exports.

CCI – Bulk Quantity Discount Scheme

The performance of the cotton sector has already been severely constrained in the current fiscal year amid multiple headwinds, including a demand slowdown in the domestic as well as export markets and unfavourable raw material prices. It is further expected that over the next few months there could be moderate to severe impact on contribution margins for companies that have failed to build up adequate cotton reserves at low prices.

The industry has been pleading with the Textiles ministry to instruct the Cotton Corporation of India (CCI) to sell the minimum support cotton at market price so that the spinning mills could procure the cotton at a competitive price. This would not only facilitate to mitigate the
CHAIRMAN’S MESSAGE
CONTINUED FROM PAGE 1

Current challenges, but also would enable the industry to grab the present market opportunities.

We are glad to inform you that the intervention by the Ministry has now enabled the CCI to offer volume-based discounts and protect the interests of MSME spinning mills by offering discounts from 500 bales with an upper limit of 10,000 bales for purchase of cotton pertaining to the crop year 2018-19. The industry further hopes that CCI would soon offer its cotton procured at MSP rates during the current year also at market prices at constant intervals till the end of the season and facilitate stability in cotton prices.

**Grievance Redressal @Texprocil**

Texprocil has been drawing the attention of the government towards the various representations received from the exporters. While many of these have been resolved, the recent ones are concerned with issues arising out of the RoSCTL module which was given effect from 7th March 2019.

Some of the operational issues are concerned with the application format. The application form initially showed the units of measurement as “pieces” as against “kgs” as per the scheme. This has now been rectified and a new modified application form has been introduced. However, the revised application form has still got some issues that need to be addressed.

For instance, the MEIS is being reduced @4% of the fob value of exports as per the shipping bills against the RoSCTL amounts, while the actual MEIS amount has been issued to the exporters on the basis of E-BRC with some reductions. So ideally, the amount of MEIS that has been received actually by the exporters should be deducted from the RoSCTL amounts and not at a flat rate of 4%.

There are also cases where different rates of RoSCTL are being shown on the system for the export products covered under the same HS codes but exported under different shipping bills. Further, many of the shipping bills are not reflecting on the system as a result of which exporters are unable to apply.

The Council has taken up all these issues with DGFT and is pursuing with the officials at various levels for speedy redressal. I hope all these issues get resolved without any further delay as exporters have already waited too long to get the benefit of RoSCTL.

Further, with regard to the EPCG Scheme, the Government has given relief in the fulfillment of the Average Export Performance. As per Policy Circular No. 31/2015-20 dated 26 February 2020, issued by the DGFT, exports required to be fulfilled against the Average Export Performance in 2018-19 will be reduced by the Regional offices of DGFT in the case of those export products where exports have declined by more than 5% in the financial year 2018-19 as compared to 2017-18. The reduction will be granted proportionate to the decline in exports. There are some products from the textile sector that have been granted this relief. I would urge members to please take note of this and do the needful.

**Cluster Identification Program**

The Ministry of MSME is implementing a Central Sector Scheme named SFURTI – Scheme of Funds for Regeneration of Traditional Industries across the industry, with the objective of organizing traditional industries and artisans into clusters, to make them more productive, competitive, market-driven and profitable. To expand the reach of the Scheme and to enable identification and expansion of additional clusters on various items under the SFURTI scheme, Secretary (MSME) held a meeting with EPCs/EPOs on 3rd March 2020, in New Delhi.

At the meeting, attended by the Executive Director of the Council, Secretary, Ministry of MSME, informed that so far 224 clusters have been approved with the Government of India grant worth more than Rs. 490 crores, covering approximately 1.39 lakh beneficiaries. The Ministry has set a target of covering at least 1250 clusters in the next 5 years covering approximately 6.25 lakh beneficiaries.

SFURTI presents a good opportunity for some of our leading exporters and textile manufacturers to partake in the revival of our artisan and protect the heritage of production in rural areas. With each Village, District, State having its base of artisans, rural weavers, craftsmen, we should all identify the cluster areas with the active support of the Ministry of MSME and seek to develop the rural artisans and provide them opportunities for marketing their products as part of the company’s CSR activities. Further details on the scheme and its scope can be accessed at sfurti.msme.gov.in

**Way forward**

Friends, as you are aware, the outbreak of COVID-19 has the potential to significantly impact the export of textiles and apparel

JOIN US... NOW!
& avail of our Membership Benefits
To know more, please write to us on email:
info@texprocil.org
Mr. Premanand Jothy, First Secretary (ITOU/E&C) & Head of Economic and Commercial Wing, Embassy of India in Paris (centre) inaugurated the India Pavilion organised by TEXPROCIL at Texworld and Apparel Sourcing Fair, held from 10 - 13 February, 2020 in Paris.

The Texworld and Apparel Sourcing Show was held at Le Bourget Exhibition Halls 2 and 4 from 10-13 February, 2020 in Paris. The Fair saw the convergence of several importers at the Show to source their requirement of all types of fabrics. However due to the Corona Virus situation this year more than 40% of the Chinese booths were not occupied and several major importers also skipped the event. The Council took an information booth of 18 sq mtr at the Texworld Show and 18 Indian exporters of fabrics and 1 Indian exporter of apparel participated through Texprocil in this important Fair in Europe. The fabric participants were in Halls 2 & 4 while the exhibitors of Apparel Sourcing were in Hall 2 only. Overall the Indian participation was 92 exhibitors in Texworld as well as in Apparel section.

European Union (EU 28) as a combined market is India’s largest importer of Textiles & Clothing (T&C) accounting for 22.3 % of total export of T&C from India in the short to medium term. China’s retreat has opened up opportunities for Indian manufacturers to be an alternate supplier in the world. To be able to meet global requirements, India’s textile manufacturers may need to upscale their supplies.

At the same time, urgent steps should be taken to promote the export of value-added Fashion bedding and mattresses which are categorized as Utility Bedding (under HS Code 9404) where India has the capability to substantially fill in the gaps in global supply chains. These items should be included in RoSCTL. Further, a large volume of textile chemicals, dyestuff, value-added knitted fabrics, and accessories are required for textile processing as well as value addition.

Anticipating disruptions to last for a longer period, prices of textiles chemicals and dyestuff are already rising in India increasing the hardships for the fabric processing industry. It is suggested that duty-free imports of dyestuffs should be permitted to overcome the present situation.

To match the cost, quality, and timeliness of delivery and to become an alternate supplier for the Chinese clients, support should be extended to improve our competitiveness. We should also adopt a wholistic approach in the textile value chain by treating Cotton Yarn / Fabric at par with the Apparel and Made-ups and include them under the RoSCTL scheme in order to make the most of the available opportunities to grow our exports.

Dr. K. V. Srinivasan
Chairman
:: TEXPROCIL ::
during 2019. Considering the higher spending capacity in EU 28 countries, as a block, it is the single largest market for the Indian export of T&C products. However, only 6.51% of total import of T&C into EU was from India thereby offering scope for increasing market share by participating in this global event.

About Texworld and Apparel Sourcing Show
Organized by Messe Frankfurt France, the 'Texworld and Apparel Sourcing, Paris’ Fair is a Show where trade exchanges among thousands of visitors with exhibitors takes place on a single networking platform. The total exhibition space occupied was approx. 41,000 sqm with over 1200 exhibitors from 30 countries participating under one roof, attracting over 8,000 visitors from over 70 countries during the 4 days of the show.

In the apparel section, pavilions of Ethiopia and Bangladesh were seen at this edition. Whilst the dedicated Shawls & Scarves section is already well-known and acknowledged, India has a strong presence in the Shawls and Scarves section.

Exhibitors
Over 800 international exhibitors from 22 countries for Texworld and about 470 exhibitors from 17 countries for Apparel Sourcing made the Show an “all-in-one” platform for the textile sectors including Cotton and Synthetic fabrics / Shirting / Linen / Denim / Wool / Knitted fabrics / Silk fabrics / Embroidery, Lace / Prints / Scarves and shawls & Yarns. Some of the Chinese booths were occupied by their European Agents while few other Chinese exhibitors manned their own booth.

Visitors
The Show received over 8000 visitors, which was a decline compared to earlier editions where over 12,000 buyers visit the Show. This was clearly due to the Corona Virus situation where buyers from Europe were apprehensive of attending the Show. Even though there was a decline in visitors some of the Indian exporters recorded business and a few others also mentioned that some business came their way due to the diversion of trade from China. The number of enquiries received by Indian exporters have also increased due to the current situation in China.

Indian participants
There were 92 exhibitors from India (53 in Texworld and 39 in Apparel Sourcing). The participants were member exporters from TEXPROCIL, HEPC, ISEPC and ICC showcasing products made from cotton, silk, wool, embroidery amongst other categories.

The response of buyers at the Show was encouraging although not at the level of previous Texworld editions. The presence of new buyers were minimal while many exhibitors recorded that only their set of fixed buyers visited the Show and the exhibitors’ continual presence is required so as to show the latest collections and trends to these buyers. 3 new Indian exhibitors to the Show were optimistic about the Texworld and Apparel Sourcing Show and have confirmed to participate at least for another 3 editions of the Show.

Feedback from the participants through the Council
Overall, some of the exhibitors were satisfied with the number and quality of visitors to their stalls while a
TEXPROCIL organised RBSM at Coimbatore
Foreign Buyers to visit Ind-Texpo 17-19 Mar. 2020

Ind-Texpo 2020 – a specialised Reverse Buyer Seller Meet in its 2nd edition, will take place at CODISSIA Trade Fair Complex, Coimbatore, Tamil Nadu from 17-19 March 2020. This one-stop sourcing platform for a variety of textiles across the value chain is supported by Ministry of Commerce & Industry and Ministry of Textiles, Government of India.

Show Highlights
- Featuring over 100+ quality importers visiting from over 25+ countries/regions
- 75+ Indian Textile companies to exhibit with the latest product offerings
- Showcasing Indian Textiles "Farm to Fashion"
- Textile Innovations showcased by selective suppliers
- Sourcing made simple under one roof

The 2nd edition will witness 100+ quality importers visiting the show from over 25+ countries and regions in their pursuit for de-risking their businesses and developing alternative sources of supplies on account of the shutdown in China due to outbreak of 2019-nCoV.

Buyers from countries including Colombia, Chile, Peru, Paraguay, Ecuador, Bangladesh, Sri Lanka, Vietnam, UAE, Middle East, Ethiopia, Kenya, etc. have already confirmed their registration to visit the show. There has also been an increase in enquiries from importers in EU & other countries to source Indian yarn, fabrics and home textiles.

As a part of its business matchmaking program, Ind-Texpo 2020 will also feature exclusive B2B Meetings for the exhibiting companies to spend quality time with overseas buyers based on a pre-determined schedule of time slots during the exhibition.

Ind-Texpo 2020 holds the promise of being a perfect platform to take the industry forward. With just a few stalls available, TEXPROCIL appeals to Indian companies to come and explore the business opportunities made available at this unique one-stop sourcing platform.

For more information, visit: www.ind-texpo.com or write to us on email: events@ind-texpo.com
Info. Contact: Mr. Shailesh Martis / Mrs. Mrunal Sawant
E-mail: shailesh@texprocil.org / mrunal@texprocil.org
:: TEXPROCIL ::

few others were unhappy that the organisers still went ahead with the Show despite the Corona Virus situation. Visitor turnout during the second and third days wore thin as many buyers went to visit the Premier Vision Show held concurrently with Texworld. In general, many exhibitors through the Council were satisfied in meeting their target business in this event and are keen to participate through the Council in the next edition of the show.

‘TEXPROCIL’ Information Stall
The Council had an 18 sq mt stall at Texworld as per the theme of "Incredible Textiles of India". Enquiries for yarns and fabrics were recorded from visitors to the stall. Of the total trade enquiries received at the stall, 90% of the visitors required fabrics while 10% needed yarns.

Other activities
Mr. Premanand Jothy, First Secretary (ITOU/E&C) & Head of Economic and Commercial Wing, Embassy of India in Paris inaugurated the India Pavilion organised by TEXPROCIL at Texworld and Apparel Sourcing Fair and interacted with many exporters thereafter.

An "Interactive Meeting on Incredible Textiles of India" was organized in the Seminar Hall at the venue itself where Indian exhibitors and the Embassy of India spoke on different issues that hamper exports. Some of the issues put forward to the Embassy included increase of baggage weight allowance for exhibitors coming to Paris as they carry many samples while the second issue was on Customs clearance of samples at the airport. Present bilateral synergies between India and France were also highlighted during the interaction.

:: TEXPROCIL::
Important Trade Circulars issued by the Council

Circular No. EPS/60/2019-20 | Date: Mar. 09, 2020
To: Members of the Council
Sub.: RoSCTL - online application module - Problems faced by exporters

Dear Member,

This has reference to the revised online application form for RoSCTL which has been put in place.

In this regard, we have received representations from the exporters of Made ups pointing out some difficulty in submitting their applications for duty credit scrips under the scheme. Based on such representations, we have taken up the following issues faced by the exporters with the Ministry of Commerce & Industry:

1. The revised application form has changed the unit of measurement of the export product, namely, Made-up articles covered under chapter 63 from "Pieces" to "Kgs" for the purpose of calculating the value caps. However, many of the exporters have already filed their applications with "Pieces" as the unit of measurement before the revised RoSCTL application was put in place. All such exporters will now receive the RoSCTL amounts which will be lower than their actual entitlement. It is requested that a mechanism should be introduced under which such exporters can file supplementary claims for the balance amounts.

2. In many cases, calculation of RoSCTL as per applicable percentage is correct but net amount receivable does not match with after excluding MEIS from the actual amount of RoSCTL. This is due to the fact that for the purpose of deducting MEIS, the system calculates 4% of the fob value of exports as per the Shipping bills. Whereas, the MEIS has been granted on the actual fob value realised as indicated on the E-BRCs. In this regard, it is suggested that the value of duty credit scrips that has been issued should be deducted and not at the flat rate of 4%.

3. Different RoSCTL rates appear for the same HS codes on different Shipping bills. For instance, if the RoSCTL rate is 8.2%, for some shipping bills the rate is shown as 8.2% and for some other shipping bills the rate shown is 7.8% for the same HS code.

4. Some of the Shipping Bills are not appearing on the online system.

5. In some of the cases, for the same HS codes where the RoSCTL rate is 8.2%, the system shows the rate as 5% and on such shipping bills the Ad Hoc 1% additional RoSCTL rate have been applied.

In response to our representation, we have received an email dated 6.3.2020 from DGFT advising the Council to inform the concerned exporters to send specific cases to the office of DGFT.

You are requested to please send details of problems faced by you in filing applications for RoSCTL online on the email ID akshay.sc@nic.in with CC to: aaggarwal@nic.in ; praveen.kumar82@nic.in

Also please send us a copy on the email IDs ravikumar@texprocil.org / vimal@texprocil.org.

Regards,

Dr. Siddhartha Rajagopal
Executive Director
::TEXPROCIL::

Circular No. EPS/59/2019-20 | Date: Mar. 07, 2020
To: Members of the Council
Sub.: EPCG Scheme - Relief in Average Export Obligation during 2018-19

Dear Member,

DGFT has issued Policy Circular No. 31/2015-20 dated 26.2.2020 according to which, exports required to be fulfilled against the Average Export Performance in 2018-19 will be reduced by the Regional offices of DGFT in the case of those export products, exports of which had declined by more than 5% in 2018-19 as compared to 2017-18. The reduction will be granted proportionate to the decline in exports.

Textiles products covered under the following HS codes are covered in the list of export products that are eligible for the reduction in AEP:

- 5110
- 5405
- 5406
- 5904
- 6113
- 5516
- 5113
- 5504
- 5302
- 5202
- 6207
- 5908
- 5307
- 5108
- 5512
- 5310
- 5404
- 5907
- 6307
- 6202
- 6217
- 5106
- 6104
- 6208
- 5515
- 5803

A copy of DGFT Policy Circular No. 31/2015-20 dated 26.2.2020 is circulated by the Council for your information.

You are requested to please take a note of the above and do the needful.

Regards,

Dr. Siddhartha Rajagopal
Executive Director
::TEXPROCIL::

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>
</tr>
</thead>
<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>
</tr>
</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>
<th>Rate Here</th>
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</thead>
<tbody>
<tr>
<td>Procedure for New Membership</td>
<td>E-Newsletter</td>
<td>Intl. Fairs &amp; Events</td>
<td>Certificate of Origin</td>
<td>Interactive Website</td>
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</tr>
<tr>
<td>Membership Renewal</td>
<td>E-serve</td>
<td>Seminars &amp; Workshops</td>
<td>Grievance Redressal Services</td>
<td>E-News Clippings</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>RCMC Amendment</td>
<td>Circulation</td>
<td>Trade Enquiries/Award</td>
<td>MDA/MAI Schemes</td>
<td>Information on Exim policy/Amendment DBK</td>
<td>Information Disseminated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</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 benefitting 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 benefitting 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.*
The Annual Renewal Subscription for the financial year 2019-2020 for existing members has become due for payment from 1st April, 2019, as follows:

<table>
<thead>
<tr>
<th>Type of Membership</th>
<th>Amount (Rs.)</th>
<th>GST @ 18%</th>
<th>Total Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<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>
</tr>
</tbody>
</table>

Note: GST Invoice will be issued on receipt of payment.

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 2017-2018 & 2018-2019 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 2017-2018 & 2018-2019 as follows:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Description</th>
<th>2018-2019 (Rs. FOB Value)</th>
<th>2017-2018 (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 31.03.2019:

Please apply immediately for renewal of RCMC with the following documents (self-attested copies) on mail or upload them online through member login from TEXPROCIL’s website:

1. Copy of Importer-Exporter Code (IEC) of the company
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 DIR-12 or Board Resolution for those who have resigned and newly appointed.

Members may obtain RCMC & Renewal documents online through member login on TEXPROCIL’s website. The procedure is as follows:

- Go to the Membership Login Menu and click on ‘Enter Now’ at Membership Management Program
- Since you are already registered member of the Council, you need to choose Registered Member at Member login page between New Member and Registered Member.
- Once you click on Registered Member, you should type your email id registered with the Council for the login purpose as User Name and type company’s Importer Exporter Code (IEC) code as password.
- You can view all the details of your company and can get RCMC, renewal documents etc. by clicking on ‘Company Details’.
- You can also upload your export returns online.

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