Dear Friends,

The first fortnight of July marked the third anniversary of Goods and Services Tax (GST), India’s biggest tax reform, introduced on July 1, 2017. It is by all accounts a landmark legislation which succeeded in replacing the fragmented State and Central based law on indirect taxes. It has also led to the setting up of one of the world’s biggest online tax compliance systems - the GSTN.

While the achievement is undoubtedly historic, the experience of the trade has been mixed as there are delays in getting input tax credits, procedures are cumbersome and issues of inverted duty structure remain unresolved.

We remain hopeful that the GST law gets further simplified and the industry is able to overcome the challenges in complying with the law.

Friends, in today’s trying times, whilst we continue to grapple with internal adjustments, the global estimates continue to point towards the recessionary challenges before us.

**Covid Pressures Remain**

In 2020, the world seems to be shaken (naturally so) by the projections by IMF and WTO on the likely global GDP contraction and anticipation of a steep fall in trade volumes. These forecasts would weigh on Indian exports as well. As per the official data, growth of India’s exports from labour-intensive sectors has been slowing at a faster pace in recent years than overall outbound shipments. The slowdown in exports by job-intensive sectors is set to increase further in the current fiscal, with major consumption markets like the US & the EU being severely affected by the contagion.

**Boosting Cotton Consumption**

There is an increasing international pressure on Indian cotton prices with the current prices reigning at 16% below the international rates. Stiff competition is also being offered by Polyester fibre as prices of crude oil remain in free fall.

Cotton prices are expected to come under further pressure due to weak demand and increased sowing this season. Added to this, the US Dept. of Agriculture (USDA) estimates have projected a rise in Indian cotton’s closing-stock by adding the carryover stock of cotton with reduced two months’ consumption by mills. The leading Associations in India have however contested the claims made by the USDA but the fact of high levels of production remains. With imported cotton available at less than domestic prices, pressure is seen mounting on the domestic cotton prices and consumption. Eventually increased cotton availability also puts pressure on yarn prices as well.

The industry has appealed to the Hon'ble Prime Minister of India to extend a special package for boosting cotton consumption in the country.
Going Digital - Pathway to the future

With the aim of supporting the sourcing community through these unprecedented times, TEXWORLD, USA the largest sourcing event on the East Coast began its summer 2020 edition on a digital platform. The show opened its doors to visitors and remained available to explore from 21st to 23rd July between 9.00 am to 3.00 pm EST.

TEXPROCIL along with a few of its member companies explored the vast expanse of sourcing opportunities offered by the NEW platform. According to the initial feedback, there has been an encouraging response and the virtual platform has helped expand the participant’s opportunity to reach industry professionals across the United States, Europe, Asia and abroad, along with exploring innovations in every textile segment of the industry.

On similar lines, TEXPROCIL has launched the virtual edition of 'Ind-Texpo', an online exhibition and trade platform from 14th – 18th September 2020. The virtual platform will help Indian textile suppliers generate business leads and the B2B meetings will assist in virtual interaction with potential buyers across the globe.

The Council is in the process of “onboarding” the profiles of exhibitors (that have already been confirmed) onto the virtual platform and with an extensive buyer promotion programme through Indian Embassies and Textile Associations abroad, we hope to create a unique online experience of one-on-one secure meetings for Indian exporters as well as the international buyers.

I appeal to all our members to support the Council’s efforts by participating in large numbers and taking advantage of this unique sourcing opportunity.

Meeting on Inland Waterways Transport

Bangladesh continues to be India’s largest trading partner in South Asia with a bilateral trade worth US$ 10 billion in 2019. In order to overcome difficulties faced in EXIM trade with Bangladesh while using the land and sea routes, it has been felt necessary to explore inland waterways as an alternate means of transporting goods to/from Bangladesh.

In this connection, TEXPROCIL organised a webinar on “Developing Inland Waterway Transport Corridor for Textile Exports to Bangladesh” on 22nd July 2020 in association with Inland Waterways Authority of India (IWAI) on the advice of Ministry of Textiles, Government of India.

Shri Ravi Capoor, Secretary, Ministry of Textiles presided over the webinar and guided all the participants. Eminent panelists included Dr. Amita Prasad, Chairperson of IWAI, and Shri Rajesh Jindal, Commissioner of Customs (Preventive) at Kolkata, West Bengal. The informative webinar saw presentations, made by Shri Shashi Bhushan Shukla, Member (Traffic and Logistics) at IWAI and by Shri Prashant Kumar, Associate General Manager - Inland Waterways, Adani Logistics Limited. Details on the India Bangladesh Protocol (IBP) routes and ports of call available for EXIM trade were shared along with the advantages of using inland waterways to transport cargo to/ from Bangladesh to India in view of the bottlenecks and disruptions on the land route at Petrapole.

At the meeting, senior representatives from trade and industry and heads of various Textile Export Promotion Councils agreed to explore the inland waterways transport system and partake in pilot studies to understand the efficacy and efficiency of this mode of transport before popularizing it amongst member companies.

Way forward

Friends, pandemic or no pandemic... let us affirm our beliefs in the fact that “some basics will not change.”

First of all, the world total population continues to grow, which means that the demand for textiles will continue to grow.

Second, the number of people and consumption level in the middle class, has no reason to stop growing. Also, we can assume that people will, on an average, consume more textiles per head in the future.

Third, clothing, housing, mobility, and healthcare will not disappear, even if their respective importance might change.

Given the green shoots seen in our economy and marginal resumption of trade, let us keep an optimistic outlook for the future, even if it appears bleak at the moment!

Dr. K. V. Srinivasan
Chairman
:: TEXPROCIL ::

JOIN US... NOW!
& avail of our Membership Benefits
To know more, please write to us on email:
info@texprocil.org
Chairman of various Textile Export Promotion Council, President FIEO along with Representatives of a large number of Export & Trading Houses and MSME’s attended the Webinar.

Dr. K. V. Srinivasan, Chairman, TEXPROCIL welcomed Shri Ravi Capoor, Secretary Ministry of Textiles, Dr. Amita Prasad, Chairperson of the IWAI and Shri Rajesh Jindal, Commissioner, Customs (preventive) to the Webinar. He stated that Secretary Textiles was the motivating force for organising this event which is very timely. Bangladesh continues to be India’s largest trading partner in South Asia with a bilateral trade worth US$ 10 billion in 2019. In view this, developing alternative routes of transport including multimodal transportation systems is the need of the hour considering especially, the bottlenecks and delays at the Petrapole land border with Bangladesh.

In her introductory remarks, Dr. Amita Prasad, Chairperson, IWAI said there is good potential to trade in textiles between India and Bangladesh. She also mentioned that due to congestion problems at Petrapole and Benapole there is good scope to divert cargo through the Inland Waterway route. She said the cost of transport will be less as compared to Roadways and Railways. However, she pointed out that the time taken may be more. She also clarified that there was no issue of depth through most of the route. Dr. Amita Prasad invited the exporters to use the waterway route to export textiles to Bangladesh as a pilot project.

In his keynote address, Shri Ravi Capoor, Secretary (Textiles) said due to congestion problems faced by the exporters at Petrapole and Benapole, IWT can become an integral part of transport of cargo to Bangladesh. He informed that India is in the process of signing an MOU with Bangladesh for trade in textiles & clothing and IWT can be used to ship more Cotton and Yarns to Bangladesh. He urged IWAI to set up a quick response system with a Nodal officer who can provide all the information which the exporters are likely to require. He said, dissemination of information to the users must be fast and smooth to ensure greater usage of waterway transport.

The Secretary (Textiles) also stated that Jute is an important sector as lot of jute goods are being imported from Bangladesh. Secretary (Textiles) also mentioned that Readymade
Garments are being imported from Bangladesh into India and the containers instead of coming back empty from Bangladesh can be filled with textile goods like jute and garments.

The Secretary (Textiles) also suggested that a Committee should be set up consisting of representatives of TEXPROCIL, CCI, IWAI and other stakeholders and TEXPROCIL should take the lead in this regard. He further suggested that the Committee should prepare a Report in one month which should include the potential to move cargo through the Waterways, the likely volumes that could be shipped, the challenges, issues, problems being faced at the other end in Bangladesh etc. which need to be resolved. The Secretary (Textiles) suggested that a follow up Webinar should be held in a month's time and the Indian High Commission in Dhaka should also be invited.

In his address, Shri Rajesh Jindal, Commissioner of Customs (Preventive), Kolkata informed about the initiatives taken by Kolkata Customs to make clearance of export goods meant for Bangladesh smooth and fast. He informed that due to problems at Petrapole and Benapole, Kolkata Customs carried out a pilot project for shipping goods by IWT. The transit time including Customs clearance took about 12 days in which the actual sailing time was 7 days. He said Kolkata Customs have got plans to reduce this entire transit time to 8 days.

Shri Jindal, further added that since the last 6 months, factory stuffed containers are shipped through the IWT. He further informed that there are 10 points of loading and the documents can be done at the Land Customs. He said all documentations are fully computerized and Let Export Orders, Out of Charge orders are sent to the exporters on their Email IDs and from January 2020 onwards even LCL cargos are allowed to be exported.

The Commissioner assured that he along with his officers at Kolkata Customs will provide all possible support to the exporters while exporting through the IWT.

Shri Shashi Bhushan Shukla, Member (Traffic & Logistics) made a presentation on “Development of Inland Waterway Transport (IWT) for Indo–Bangladesh Textile Trade. The presentation highlighted the following benefits of using IWT mode of transport:

(a) Capacity to carry more cargo at lesser cost as compared to roadways and railways.

(b) Lesser Air, Noise, Soil and Water pollution.

The presentation also covered the following:

(i) Increase in Transportation using the IBP (Indo-Bangladesh Protocol route every year demonstrating enhanced trade between Bangladesh and India.

(ii) Customs procedure for movement via IBP route.

(iii) Use of technology and digital initiatives to boost overall performance.

Shri Anil Kishore Singh, CEO, Adani Logistics Ltd and Shri Prashant Kumar, AGM – Inland Waterways made a presentation on “Containerized Cargo Exports for Textile to Bangladesh using Inland Waterways. The presentation covered details on vessels, approved port of calls both in India and Bangladesh, timelines achieved for the maiden voyage, expected timelines for upcoming voyages and list of documents needed from the shipper.

Shri P. K. Agarwal, Chairman, CCI said there is very good potential to export Cotton from India to Bangladesh. He further mentioned that if exports can take place through the IWT route it will help CCI also since more Cotton can be exported.

Shri Rishi Jalan representing Jute Product Development and Export Promotion Council mentioned that lots of jute goods are being imported from Bangladesh through the land route. He said he will encourage the members of his Council to import through the IWT route.

During the Question Answer Session Shri S. K. Saraf, President, FIEO suggested that necessary facilities should be created for exports to Bangladesh through IWT from places like Mumbai by providing through Bill of Lading.

Dr. Shaktivel, Chairman, AEPC said development of IWT will help textile exports. Shri Ronak Rughani, Chairman, SRTEPC said exports through IWT will help the exporters especially in the context of problems at Petrapole / Benapole.

Avail of more detailed information on EXIM POLICY @ TEXPROCIL
Please Contact: GREIVANCE REDRESSAL CELL email: ravikumar@texprocil.org
Shri Rahul Mehta, Chief Mentor, CMAI pointed out that very high import duties are levied in Bangladesh on Garments exported from India. He requested the Secretary (Textiles) to take up this issue while discussing MOU with Bangladesh. He said reduction in import duties will increase exports of Garments especially ethnic wear from India to Bangladesh.

As regards, shipments through the Inland Waterway, he wanted to know whether goods can be shipped as LCL cargo as there will be very limited FCL cargo. Shri Sagar from SAPL clarified that while there are no restriction on exporting goods as LCL cargo from India there are however restrictions in Bangladesh where LCL cargo are not allowed to be cleared.

Shri Rahul Mehta suggested that IWAI should make a comparison of cost of shipment by the land route, railway and IWT and the time taken on an end to end basis and make the details available to the Export Promotion Councils who in turn can inform their members.

Shri Aditya Naria from Arvind Ltd said that in order to encourage shipments to Bangladesh by IWT route, the overall transit time and the cost of shipment must be reduced.

In his concluding remark, Shri Ravi Capoor, Secretary (Textiles) stated that IWAI should provide cost details to move export goods from far off places for shipments through the IWT route which can be shared with the exporters. The Secretary (Textiles) also emphasized on the need to create a roadmap for textile exporters to migrate from the roadways to IWT while exporting to Bangladesh.

Shri Manojj Patodia, Vice Chairman, TEXPROCIL proposed a vote of thanks.

:: TEXPROCIL::

The eco-friendly and cheaper mode of transport will promote ease of doing business, says Shri Mansukh Mandaviya, Union Minister of State for Shipping (I/C)

Ministry of Shipping has decided to waive waterway usage charges with immediate effect considering the Government of India’s vision to promote inland waterways as a supplementary, eco-friendly and cheaper mode of transport.

The charges are waived initially for three years.

Union Minister of State for Shipping (I/C) Shri Mansukh Mandaviya said that currently only 2% of total cargo traffic moves through waterways.

Decision of waiving waterway charges will attract the industries to use the national waterways for their logistical needs. As the mode of transport is eco-friendly and cheaper, it will not only reduce the burden on other transport mode but also promote the ease of doing business the Minister added.

Water usage charge was applicable on use of all the national waterways by vessels. It was a hindrance in administration of traffic movement and collection of traffic data.

Presently, Inland Waterways Authority of India (IWAI) levies the waterway usage charges at a rate of Rs. 0.02 per gross registered tonnage (GRT) per kilometer for plying of Inland cargo vessels and Rs. 0.05 per gross registered tonnage (GRT) per kilometer for plying of Cruise vessels on national waterways.

The decision is estimated to increase the inland waterway traffic movement to 110MMT in 2022-23 from 72MMT in 2019-20.

It will benefit the economic activities and development in the region.

(Posted On: 24 JUL 2020 3:12PM by PIB Delhi)

:: TEXPROCIL::
TRADE FACILITATION

Important Notifications Circulated to the Members

Circular No. EPS/56/2020-21 | To: Members of the Council

Sub : Export of Personal Protection Equipment

Dear Member,

DGFT has allowed export of Surgical drapes, Isolation aprons, Surgical wraps and X-Ray gowns vide Notification No. 20/2020-21 dated July 21, 2020.

A copy of the said Notification is circulated by the Council.

This is for your information.

Regards,

Dr. Siddhartha Rajagopal
Executive Director
::TEXPROCIL::

Circular No. EPS/53/2020-21 | To: Members of the Council

Sub : Revised Procedure and Criteria for submission of applications for export of PPE Medical Coveralls for COVID-19

Dear Member,

As you are aware, DGFT has issued Notification No. 16/2015-20 dated June 29, 2020 to allow exports of “PPE Medical Coveralls for COVID-19”. DGFT has also issued another Trade Notice No. 17/2020-21 dated June 29, 2020 to prescribe the procedures and criteria for submission and approval of applications for Export Authorizations.

DGFT has now laid down revised procedure and criteria for submission of applications for export of PPE Medical Coveralls vide Trade Notice No. 18 /2020-21 dated July 20, 2020.

As per the above Trade Notice:

(1) All applications filed in July 2020 has been found ineligible for allocation of export quota.

(2) Exporters can file fresh online applications for the month of July 2020 as per revised criteria from July 22 to 24, 2020.

(3) From August 2020 onwards, online applications are required to be filed from 1st to 3rd of each month.

A copy of DGFT Trade Notice No. 18/2020-21 dated July 20, 2020 is circulated by the Council.

You are requested to please go through the above Trade Notice carefully and do the needful.

Regards,

Dr. Siddhartha Rajagopal
Executive Director
::TEXPROCIL::

Circular No. EPS/55/2020-21 | To: Members of the Council

Sub : Export of Samples of PPE Medical Coveralls for COVID-19

Dear Member,

DGFT has allowed export of samples of PPE Medical Coveralls for COVID-19 vide Trade Notice No. 19/2020-21 dated July 21, 2020.

Export of quantity upto 50 units of “PPE Medical Coveralls for COVID-19” samples per IEC per Country will be allowed against an Export Licence, as per the said Trade Notice. Further, the product description on the online application for Export Licence must specify “PPE Medical Coveralls for COVID-19 Samples”.

A copy of DGFT Trade Notice No. 19/2020-21 dated July 21, 2020 as been circulated by the Council.

You are requested to please go through the above Trade Notice carefully and do the needful.

Regards,

Dr. Siddhartha Rajagopal
Executive Director
::TEXPROCIL::
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.*

<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>
</tr>
</thead>
<tbody>
<tr>
<td>Procedure for New Membership</td>
<td></td>
<td>Publication: E-Newsletter</td>
<td></td>
<td>Intl. Fairs &amp; Events</td>
<td></td>
<td>Certificate of Origin</td>
<td></td>
<td>Interactive Website</td>
<td></td>
</tr>
<tr>
<td>Membership Renewal</td>
<td></td>
<td>E-serve</td>
<td></td>
<td>Seminars &amp; Workshops</td>
<td></td>
<td>Grievance Redressal Services</td>
<td></td>
<td>E-News Clippings</td>
<td></td>
</tr>
<tr>
<td>RCMC Amendment</td>
<td></td>
<td>Circulation</td>
<td></td>
<td>Trade Enquiries/ Award</td>
<td></td>
<td>MDA/MAI Schemes</td>
<td></td>
<td>Information on Exim policy/ Amendment DBK</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.
(A) Renewal of Membership - Annual Subscription Fees

For Renewal of Membership, an Annual Membership fee is to be paid. Details of Annual Renewal Subscription Fees are 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>

(B) Payment of Renewal Subscription Fees

Payment of Renewal Subscription fee for the year 2019-2020 and 2020-21 can be made online. Bank details for online payment are as follows:

<table>
<thead>
<tr>
<th>Account Name</th>
<th>The Cotton Textiles Export Promotion Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>Branch</td>
<td>Opera House Branch, Mumbai-400004</td>
</tr>
<tr>
<td>Account No.</td>
<td>04090200000927</td>
</tr>
<tr>
<td>IFSC Code</td>
<td>BARB0OPERAH (Fifth character is zero)</td>
</tr>
</tbody>
</table>

After payment, send the details of online payment by Email in the following format on the following email ID: smita@texprocil.org.

- Company Name
- Registration No.
- GST No.
- UTR No.
- Date of Transaction
- Name of Bank
- Amount of Transfer

Also send a scanned copy of Bank Payment Advice by Email on the Email ID: smita@texprocil.org. Immediately after receiving the Payment details, the membership will be renewed.

(C) Renewal of RCMC that has expired

We are glad to inform you that the Council has put in place an online system for renewal of Registration-Cum-Membership Certificate (RCMC). Renewal of RCMCs can be made online and after processing, the Renewed RCMC will be available to you online. The Original renewed RCMCs will be sent to you once our office opens and starts functioning after the lockdown.

Steps to be followed:

Upload self-attested scanned copies of the following documents online on TEXPROCIL’s website (www.texprocil.org) through Member login and send a renewal request by Email on the Email ID smita@texprocil.org (In case the RCMC has expired):

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 DIR-12 or Board Resolution for those who have resigned or newly appointed.
5. Copy of old RCMC
6. Copy of GST Registration Certificate (if not submitted earlier)
7. Payment advice of Annual Subscription for the year 2020-2021

Or

Alternatively, send self-attested scanned copies of the above documents by Email on the Email ID smita@texprocil.org.