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TEXPROCIL Enewsletter



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TEXPROCIL participation at International Textile Fair "Preview in Daegu 2019", South Korea



Shri Satish Kumar Sivan, DCM & HOC, at Embassy of India in Seoul (7th from left), Shri Manoj Patodia, Vice Chairman, TEXPROCIL (4th from left) and Dr. Siddhartha Rajagopal, Executive Director, TEXPROCIL (6th from left) welcoming Korean Buyers to Texprocil Pavilion.

CHAIRMAN'S MESSAGE



Dear Friends,

As we near the end of F.Y. 2018-2019, India is witnessing a lot of developments that continue to affect its relationships both on political and subsequently trade front. During the year India's GDP growth softened for the second consecutive quarter in the fourth quarter of 2018, with the economy growing by 6.6% year on year, after increases of 7% and 8% in the third and second quarters, respectively. As per a recent report (Fitch), weaker growth momentum has largely been domestically driven, with tightening of credit availability in sectors dependent on non-bank financial company (NBFC) credit. This calls for further reforms in the sectors, especially like textiles, where business capital plays a central role in developing the prospects for improving consumption, demand and investments in the sector.

Trade Data

In the current quarter too, the headwinds continued to affect India's trade and economy. The recent released forecast on T&C exports by DGCIS for the period April 2018 - Feb. 2019 has seen the trade stabilise at 1% growth achieving a level of USD 32, 418 million. This trend is, however, marked by 7% growth in textiles and (-) 5% decline in clothing exports. The cotton textiles exports (yarn, fabrics, and madeups) continued to grow at 19% during the period April 2018 - Feb. 2019.

Yarn Expo, Shanghai

With a view to showcase the presence of the Indian suppliers in the Chinese market and to facilitate increasing India's export of cotton Yarn, the Council organized a group participation of Members at Yarn Expo Fair, Shanghai, China from 12 to 14 March, 2019, in association with FICCI. Total 32 Indian companies exhibited at Yarn Expo, of which, 10 were through the Council and the balance 22 companies participated through FICCI.

On the subsequent day (15th March), FICCI organised a B2B program in Nantong. The meeting resulted in one of the Indian participants, a supplier of embroidered fabrics based in Kolkata, getting a serious trade enquiry for supplying value added fabrics.

Rebate of State & Central Tax Levies

Friends, you are aware that, the Government has announced a new Scheme called as "Scheme for Rebate of State and Central Taxes and Levies on Export of Garments and Madeups (RoSCTL)" vide Ministry of Textiles Notification dated 7/3/2019. The preferential access accorded by EU to countries like Bangladesh, Pakistan and Sri Lanka had rendered the Indian products uncompetitive by almost 9%. With the new scheme in place, our exporters can have a level playing field to match the expectation of their customers. In fact each one of us, needs to reach out to our customers in Europe and step up our marketing efforts so that Indian trade can win back its share

CHAIRMAN'S MESSAGE

CONTINUED FROM PAGE 1

in exports to the EU that was being lost to these competing countries owing to the tariff disadvantages.

It may also be noted that prior to launch of this new scheme – RoSCTL, the ROSL Scheme was in force for the Garments and Madeups sectors. Both these schemes are linked to exports and employment generation. The Government will be periodically assessing the impact of the schemes on exports and generation of additional employment in the Garments and Made ups sectors. In this regard, I appeal all of you to kindly furnish details to the Council as the same needs to be updated in the records.

Export Promotion and Facilitation

The Government of India is keen to grow exports and provide more jobs for the young, talented, well-educated and even semi-skilled and unskilled workforce of India. The Government has put in place a process for examining issues being faced by the exporters on various aspects related to export promotion and facilitation. The Council continues to send inputs to various Departments and Ministries of the Government. In this regard, the Council seeks your active support and co-operation in receiving your suggestions on a regular basis so that these can be consolidated.

Friends, as part of the continuous market promotion activities, the Council has proposed a list of events to be organised for the year 2019-

2020 under the MAI Scheme of the Ministry of Commerce, Government of India. The Council's 'Calendar of Events for the year 2019-20' has already been circulated amongst members and also hosted on its website. Members are encouraged to utilize grants under MAI Scheme for participation in these events and send their responses to the Council indicating their expression of interest in participating in any/all of the listed Exhibitions / BSMs, latest by 30th April, 2019. Needless to say, active participation by members in large numbers would make each of these events successful.

Road ahead for India

India continues to be one of the most important players in the global economic landscape. Its trade policies, government reforms and inherent economic strengths are contributing to its standing as one of the most sought after destinations for foreign investments in the world. Also the technological and infrastructural developments being carried out on a rapid scale throughout the country augur well for the trade and economic sector in the years to come.

The recent events organised by the Council in various destinations including Japan, Turkey, South Korea and China show a good potential for export growth. While in Japan and Korea we are trying to fully optimise gains under the Comprehensive Economic Partnership Agreements (CEPA), Turkey continues to

present an enigma with its policy of tariff escalations. However with persistent efforts we can overcome the disabilities and barriers and grow our exports.

As regards China, their increasing engagement with Vietnam and Pakistan continue to pose headwinds for India's trade in textile and clothing. With increasing investments in Vietnam, China has built a strong edifice for supply of yarn and fabrics to the global markets. Also China's recent aid, offered to Pakistan by way of granting market access for three commodities — rice, sugar and yarn — worth \$1 billion for the current calendar year has opened new competitive challenges for India. Under the guise of the agreement, Pakistani exporters have been allowed to ship rice and sugar in China— worth \$300 million — leaving the balance \$700 million worth of Yarn to be supplied. We await more clarification (on the scheme of yarn supplies) to come during the first week of April when this decree is likely to be enforced by China.

Summing up

On our part, we need to gear up to meet these challenges by realizing the intrinsic strengths in our industry which when all things remain equal is amongst the most competitive in the world.

Dr. K. V. Srinivasan
Chairman

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info@texprocil.org

COVER STORY

Report on the Councils' participation at Yarn Expo, Shanghai (12-14 March 2019)



With a view to showcase the presence of the Indian suppliers in the Chinese market and to facilitate increasing India's export of cotton Yarn, the Council organized a group participation of Members at Yarn Expo Fair, Shanghai, China from 12 to 14 March, 2019, in association with FICCI. Total 32 Indian companies exhibited at Yarn Expo, of which, 10 were through the Council and the balance 22 companies participated through FICCI.

Exhibitor Profile

468 exhibitors from 12 countries participated at Yarn Expo. Exhibitors from China and other countries were focusing on value added yarns, such as, linen blends, dyed yarns, various blends of synthetic yarns, Silk yarns as well as recycled yarns.

Visitor Profile

It was reported that approximately 28,300 trade visitors from 87 countries / regions visited Yarn Expo to meet with their regular suppliers as well as to meet new suppliers of yarn & fibres. Manufacturers of knitwear / knitted fabrics, woven fabrics, socks, home textiles and Agents visited the event looking for Yarns to suit various end uses.

It is reported that, Buyers from brands such as, Fila, Guess, Ralph Lauren, Jack Jones, Vero Moda, Adastria, Li-Ning, Maracaibo and buyer delegation from South Korea visited Chinese pavilion looking for value added yarns made of functional fibres.

India Pavilion at Yarn Expo

Most of the Indian exhibitors were focusing on the regular cotton yarns in the count range from 6s OE to fine count combed yarns and a few exhibiting blended and fancy yarns, attracting a large number of visitors to the India Pavilion.

B2B program in Nantong

Next day after the Fair (15th March), FICCI organised a B2B program in Nantong, 2 hours drive from Shanghai. Four Indian

companies participated in this. During the meeting local municipal govt officials, Investment promotion department officials and three textile companies in Nantong participated. One of the Indian participants, supplier of embroidered fabrics from Kolkata, could get serious trade enquiry for supplying value added fabrics.

Feedback from the Indian Exhibitors

- Several Chinese weaving and knitting companies (manufacturers) visited India pavilion looking for direct import.
- Business generated was less than normal mainly due to mismatch in Chinese asking price and Indian's offering price. Difference was in the range of 8 to 10 US Cents per kg. Demand was more for OE yarns, Melange yarns and blended yarns.
- There is an increasing demand for recycled yarns, value added dyed and fancy yarns in China.
- Business negotiations with importers / agents from Pakistan for very less.



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**COVER STORY
contd. from Pg. 3**

**Report on the Councils' participation at
Yarn Expo, Shanghai (12-14 March 2019)**



Inaugural of India Pavilion at Yarn Expo & Intertextile 2019 by Mr. Anil Kumar Rai, Consul General of India at Shanghai, Mr. Gao Yong - SG China National Textile and Apparel Council and Others.

➤ As most of the leading importers in South China do not visit this Fair, it was suggested by the Indian visitors & exhibitors that Texprocil should plan a B2B program in South China at least once in year in addition to one time participation in Yarn Expo, Shanghai (instead of two times participation in Shanghai).

- There are three types of yarn importers in China:
 - o Direct consumers : Weavers / knitters
 - o Trading companies / financiers
 - o Dyeing companies

Normally, dyeing companies do not visit trade fairs to source their requirement of yarns, whereas their consumption is big and at present they source from domestic spinners as well as trading companies. There is a huge potential to increase export to dyeing companies directly also.

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A glimpse of the India Pavilion at the Yarn Expo Fair in Shanghai, China held during 12-14, March 2019.

Mr. Anil Kumar Rai, Consul General of India, interacting with the Indian Exhibitors at Intertextile Shanghai 2019, at National Exhibition & Convention Center, Shanghai, China.



TRADE FACILITATION

TEXPROCIL participation at International Textile Fair “Preview in Daegu 2019”, South Korea



Members of Daegu-Gyeongbuk Bedding Cooperative being greeted by Shri A. Ravikumar, Joint Director, TEXPROCIL (3rd from left) at TEXPROCIL Pavilion.

The Council participated in the textiles exhibition “Preview in Daegu 2019” held in South Korea from March 6-8, 2019. 26 Indian Companies had participated in this fair through the Council. The objective of participating in the fair was to capitalize on the Indo-Korea FTA, under which there is zero duty on import of fabrics, made ups, home textiles and garments into South Korea from India, thereby offering greater market access for Indian textiles into the South Korean market.

About Preview In Daegu 2019

Preview In Daegu is an established trade fair which takes place every year since 2001. The industry sectors covered in this fair are textiles (including yarn), home textiles, fabrics and Garments. The fair attracts a large number of buyers from South Korea as well as from other Countries.

The event is widely publicized and this year also it accommodated a large number of exhibitors.

Indian Exports of T&C to South Korea

Exports of textiles & clothing from India to South Korea in 2018 was to the tune of US\$ 469 million. India is the 3rd largest exporter of cotton yarn to South Korea next to China

and Vietnam. India is the 3rd largest exporter of cotton fabrics to South Korea next to China and Vietnam.

About TEXPROCIL Participation

Shri Satish Kumar Sivan, DCM & HOC from the Indian Embassy in Seoul visited the fair on the first day. He interacted with all the Indian Companies and shared information regarding the Consumer Preferences in South Korea. All the Indian Companies expressed satisfaction and reported having established good contacts.

Key Observations

Some of the key observations of the Council during its visit to South Korea for the fair as follows:

- Presently, South Korea is sourcing Textiles & Clothing products mainly from China.
- Since recent times, the awareness of the South Korean buyers about India Textiles & Clothing sector is increasing.
- India can supply wide width fabrics for Home textiles. Indian companies can supply in their own brand name.



Way forward

Council in its efforts to diversify exports into new markets to promote exports of Cotton textiles will continue its focus on South Korea as a good market. The Council will plan to take a delegation of home textiles exporters to South Korea.

The Council is widely recognized by the South Korean Textiles Industry, associations and the Government agencies in Korea as interface between the Indian textile Industry and the Korean Textiles. The Council will strengthen this role in the future and play an active role in promoting exports of Cotton textiles from India to South Korea.

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

TRADE PROMOTION

TEXPROCIL's participation in the 16th International Istanbul Yarn Fair in Turkey



Seen in pic. Mr. Purnojyoti Mukherjee, Consul General of India in Turkey, inaugurating the Indian Pavilion at the Istanbul Yarn Fair.

The Council participated in the 16th International Istanbul Yarn Fair which was held at the Tuyap Fair Convention & Congress Center Istanbul, Turkey from February 28 to March 2, 2019. 10 Indian companies participated in the fair through TEXPROCIL.

About Intl. Istanbul Yarn Fair

International Istanbul Yarn Fair, which is organized annually, has become very successful and the world's most comprehensive yarn fair. The fair attracts buyers from various locations in Turkey and from other countries.

Turkey - An important export market for Cotton textiles

Turkey is an important export destination for Cotton textiles from India. Cotton Yarn, fabrics, made ups and raw cotton are being exported from India.

Fair attractions

In its 16th edition, this year, the fair was held concurrently with the International Textile Machinery Exhibition. Visitors had the opportunity to check out

machinery and products equipped with cutting edge technologies at the same venue.

Visit of Consul General of India

Mr. Purnojyoti Mukherjee, Consul General of India in Turkey, inaugurated the Indian Pavilion at the fair on 28.2.19 and interacted with all the Companies who had participated in the fair through the Council.

Visitors at the fair

A good number of visitors had attended the fair. The fair saw visits of buyers from Turkey and other countries like Italy, Russia, Bulgaria, Tunisia, Georgia, Syria, Egypt, Morocco, Uzbekistan, Iran, Portugal and Serbia .

Key Observations

Cotton yarn requirements are largely being imported into Turkey. Cotton Yarns of all counts especially 20s for socks, 30s and 40s for knitted fabrics, woven fabrics and terry towels are being imported. Cotton yarns are largely being imported from China. Many Turkish buyers had pointed out that their experience with the Indian exporters is not good. They have faced issues such as delay



in shipments, non-shipments against advance payments made etc. They do not face such issues with China. Cotton fabrics are being imported and used in Garments and Home textiles.

Feedbacks

All the Indian companies reportedly benefited by participating in the fair. Most of the exhibitors were happy with the footfall at the fair and many of them have established good contact with the international buyers.

Turkey continues to be a lucrative market for Indian Cotton textiles products. Exports to this Country can be increased if the products are of high quality and priced competitively.

All the participants had confirmed that they will participate in the next edition of the fair through the Council.

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TRADE NOTIFICATION

MEMBERSHIP SATISFACTION SURVEY

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									
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 1 to 5. in order to serve you still better.* 1= Excellent, 2=Good, 3 = Satisfactory, 4 = Needs Improvement, 5 = 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="checkbox"/>	Publication: E-Newsletter	<input type="checkbox"/>	Intl. Fairs & Events	<input type="checkbox"/>	Certificate of Origin	<input type="checkbox"/>	Interactive Website	<input type="checkbox"/>
Membership Renewal	<input type="checkbox"/>	E-serve	<input type="checkbox"/>	Seminars & Workshops	<input type="checkbox"/>	Grievance Redressal Services	<input type="checkbox"/>	E-News Clippings	<input type="checkbox"/>
RCMC Amendment	<input type="checkbox"/>	Circulation Trade Enquiries/ Award	<input type="checkbox"/>	MDA/MAI Schemes	<input type="checkbox"/>	Information on Exim policy/ Amendment DBK	<input type="checkbox"/>	Information Disseminated	<input type="checkbox"/>
2) a. Are you generally satisfied with the services actively availed by your company and marked above? Tick (✓)						YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
b. If you have replied 'no' above, please suggest how the Council can improve the services <i>(use additional sheet if required)</i>						Suggestions:			
3) How is your company benefitting from the Exhibitions / BSMs being organized by the Council? Tick (✓)						Accessing new Markets	<input type="checkbox"/>	Generating additional business	<input type="checkbox"/>
<i>Others (Pls. Specify):</i>						Making new Contacts (Trade Enquiries)	<input type="checkbox"/>	Any Others	<input type="checkbox"/>
4) How is your company benefitting from the Export Facilitation services being provided by the Council?						Information on Export Policy / Procedures	<input type="checkbox"/>	Responses to various EXIM queries	<input type="checkbox"/>
<i>Others (Pls. Specify):</i>						Redressal of Trade related grievances	<input type="checkbox"/>	Any Others	<input type="checkbox"/>
5) Have you recommended TEXPROCIL Membership to other companies? Tick (✓)						YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
6) Do you have any other suggestions to offer regarding TEXPROCIL Member Services? <i>(use additional sheet if required)</i>						Suggestions:			

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

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

TRADE NOTIFICATION

TEXPROCIL MEMBERSHIP ANNUAL RENEWAL SUBSCRIPTION

The Annual Renewal Subscription for the financial year 2018-2019 for existing members has become due for payment from 1st April, 2018, as follows:

Type of Membership	Amount (Rs.)	GST @ 18%	Total Amount (Rs.)
Member (with Voting Right)	11000/-	1980/-	12980/-
Registered Textile Exporter	6000/-	1080/-	7080/-

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

For New Registration Fee Structure is as follows:-

Type of Membership	Amount (Rs.)	GST @ 18%	Total Amount (Rs.)
Member (with Voting Right) (including Rs.6000/- as Entrance Fee)	17000/-	3060/-	20060/-
Registered Textile Exporter (including Rs.3000/- as Entrance Fee)	9000/-	1620/-	10620/-

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:

Sr. No.	Description	2017-2018 (Rs. FOB Value)	2016-2017 (Rs. FOB Value)
1	Cotton		
2	Cotton Yarn		
3	Cotton Fabrics		
4	Cotton Made-ups		
	TOTAL		

(Stamp & Signature of Chartered Accountant)

(Membership No. of Chartered Accountant)

(Firm Registration No. of Chartered Accountant)

PLACE:

DATE:

Note to Members & RTEs whose RCMC has expired on 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)