Dear Friends,

The current issue is a combined one covering the events and activities for the entire month of June and early July.

The previous month of June was dominated by the preparations for the TEXTILES INDIA 2017 SHOW held in Gandhi Nagar Gujarat from June 30 - July 2, 2017 and the implementation of the GST from July 1, 2017. Both these events and developments were historic in nature and first of their kind in India. In between these activities we also attended the YARN FORUM held in HANGZHOU, China on June 22 - 23, 2017. We also met the Hon’ble Minister of Textiles and Shri GK Pillai, Chairman, Draw Back Committee at Delhi on June 20, 2017 to discuss various issues concerning exports.

TEXTILES INDIA 2017

The TEXTILES INDIA 2017 SHOW got off to a glittering start with an inspiring and visionary speech by the Hon’ble Prime Minister of India, Shri Narendra Modi.

The participating exhibitors represented the entire spectrum of the vibrant Indian Textile industry including hand-woven sector on one end to the capital-intensive mill sector on the other. The segments included the decentralised power looms, hosiery and knitting sectors; the handloom and handicrafts segments; and also the wide range of fibre like cotton, silk, jute and wool, were a part of this mega international event.

On the organising front, the Council was allotted the duties towards entire coordination for Hall 8 of the Cotton Sector. Apart from supporting other cotton stakeholders in Hall 8 including PDEXCIL, NTC, CAI, CCI along with constituent associations Textile Committee, CIRCOT, CITI/SIMA CDRA, the Council was also engaged in mobilising participation of exhibitors, inviting buyers, organising Round Table Meets, making presentation at Conferences and facilitating the visit of delegations from China, Vietnam and South Korea.

The mega exhibition showcased India’s strength in the entire gamut of textile and apparel value chain, from farm to fibre to fabric to fashion. The event is seen as largely successful in bringing global & Indian leaders together on one platform to discuss, network and transact business.

Implementation of GST

The landmark GST legislation has been implemented from July 1, 2017 as promised by the Government. In order to sensitize exporters regarding various aspects of the GST legislation the Council organised Seminars/ Workshops in Delhi on June 9, 2017 and Mumbai on June 12, 2017.
Subsequently, the Council also organised a “Focus Group” meeting at Mumbai on July 5, 2017 to take stock of the “teething troubles” arising out of the implementation of the GST from July 1 especially in relation to exports. Many issues have arisen which we have sent to the Ministry of Textiles with a request for clarifications.

Friends, the GST legislation is new and has subsumed many of the erstwhile Central and State Taxes. We need to carefully follow all the instructions so that the problems are minimised. The Government has also appointed Experts/ Master Trainers across India apart from setting up GST Seva Kendras and accredited zonal campuses of NACIN (National Academy of Customs, Indirect Tax & Narcotics), along with Authorised Training Partners (ATPs) etc. Nodal officers for exports/imports have also been identified by the CBEC (Shri Satya Srinivas, JS, Customs) & DGFT (Shri Ajay Shrivastav, Joint DGFT) to assist the trade and industry in becoming GST compliant.

Friends as the procedures under the GST are new for all concerned including the field formations of the Central & State Governments, we need to be a little patient as the changeover from the old taxation system to the new system might take some time to settle down.

Yarn Forum Hangzhou, China

The Council attended the Yarn Forum held in Hangzhou on June 22 -23, 2017. I made a presentation on June 23, 2017 on the subject “Recent Developments in the Indian Textile & Apparel Industrial Chain”. In my presentation along with introducing the audience to the strengths of India’s T&A sector, I highlighted the country’s market friendly ecosystem available to investors in the wake of recent policy reforms including GST implementation and other initiatives such as ‘Ease of doing business’, ‘Make in India’ and the opportunities presented by fast growing domestic market.

Apart from this very informative presentations were made on China Cotton Yarn futures, Global Macroeconomic situation in China, Developments in the Vietnamese Textile Industry, etc. Chinese policies are seeking to strike a balance between imports and possible local manufacturing especially in the Xinjiang Region.

We need to keep a close watch on these developments as China continues to be an important trading partner for India especially in the textile sector.

Meeting with the Hon’ble Minister of Textiles

We also met the Hon’ble Minister of Textiles on June 20 and impressed upon her the need to recommend inclusion of cotton yarn under the MEIS and also to extend the interest rate subvention to these items. Hon’ble Minister agreed to look into the matter & do the needful.

Meeting with Shri G K Pillai, Chairman Duty Draw back Committee

We also had a luncheon meeting with Shri G K Pillai Chairman Duty Draw back Committee on June 20, 2017. He explained that transition arrangements will be made for a period of 3 months and exporters will be able to avail of the composite rate during this period. He also stated that ROSL rates will also be revised consequent upon the implementation of GST.

Friends, the Government has amended the All Industry Rates of Duty Drawback vide a notification dated June 30, 2017 and given options to the exporters to either claim the composite rate of Duty Drawback without availing the input credit or refund of IGST on export goods. Alternatively they can claim only the Customs portion of the duty refunds and avail input tax credit of CGST/ IGST or refund of IGST paid on exports.

Similarly detailed procedures for sealing of containerised cargo have also been specified vide Customs Circular no. 26/2017 dated July 1, 2017 and relevant public notices. I would request all our exporter friends to familiarise themselves with these circulars.

Summing Up

Friends, we are all in the midst of trying times as we seek to adjust to the new taxation system, await new drawback and ROSL rates, and look forward to extension of the interest subvention and MEIS to Cotton Yarn and the amendments to the Foreign Trade Policy.

While the above uncertainties do add to our worries, we need to look to the future with greater hope as reports suggest that global markets are looking up.

Ujwal R Lahoti
Chairman

:: TEXPROCIL ::
The show established India as a global sourcing and investment destination and was inaugurated by the Hon’ble Prime Minister of India, Shri Narendra Modi.

The mega exhibition showcased India’s strength in the entire gamut of textile and apparel value chain, from farm to fibre to fabric to fashion value chain. The aim was to bring global & Indian leaders together on one platform to discuss, network and transact business.

About the exhibition

The exhibition was held at the Helipad Exhibition Centre near Mahatma Mandir, Gandhinagar. Exhibitors were allocated halls as per the products under their Council’s purview. Overall there were about 10 halls allotted to various EPCs and TEXPROCIL & PDEXCIL along with its members were located in Hall 8 (Cotton Section).

Textiles India 2017 brought Global and National Leaders of Industry, Technical Experts and Senior Policymakers from the Union Government and State Governments in India with participation from multiple countries around the world on the same platform to unlock opportunities in the Textiles Industry. The exhibition showcases the strength of the value chain in India and offers the perfect environment for B2B engagements to explore new partnerships, business relationships, investment opportunities and technological tie-ups across various segments.

It is one of the largest textiles show ever held in India covering a wide spectrum from Fibre to Fashion. There were in total 26 Round Table discussions covering various aspects of trade, research and technology while 6 major conferences were also held on various topics. In addition to the above, State sessions and pavilions were also organised by Karnataka, Jharkhand, Maharashtra, Assam, Gujarat, Andhra Pradesh and Telangana while country sessions were arranged on South Korea, Russia, ASEAN and Bangladesh.

Exhibitors

The Council and its members were located in Hall 8 of the Helipad Exhibition grounds. Over 1000 exhibitors from various EPCs and Associations displayed their products in 10 different halls at the venue. A total of 75 exhibitors registered over an area of 1750 sq mts. In Hall No 8, institutions like the Cotton Corporation of India (CCI), Cotton Association of India (CAI) and National Textile Corporation (NTC) also registered through the Council. Other Associations like SIMA and
CIRCOT shared space in the CCI pavilion. PDEXCIL also had a member participation of about 65 firms in Hall 8.

Large member companies of Texprocil like Century Textiles, Arvind Ltd., Welspun Group, Raymond Industries, Indo Count Industries and Trdient Ltd. exhibited in the Corporate Section in Hall No 10.

Visitors: An extensive visitor promotion campaign by direct mails, invitations, advertisements in trade magazines were done in order to bring the top decision-makers to visit “Textiles India - 2017”. Road Shows were held in various parts of India like Hyderabad, Mumbai, Panipat, Assam etc. to promote and create awareness of the Show.

The Council sent invitation to over 2500 buyers around the world and also communicated with Indian embassies in major markets to mobilise visit of importers to Textile India 2017. In addition, members exhibiting at the Show were asked to refer importers so that the Council could send invitation to them and extend financial support as applicable under the MAI scheme.

About 180 importers registered online to visit the event, however only 37 importers finally attended the event. Importers that came on the invitation of the Council were from the following 12 countries: Colombia, South Korea, Japan, China, Vietnam, Thailand, Iran, Kenya, Poland, Cambodia, Spain and UK.

Apart from the Council sponsored importers, a large number of importers from countries such as Myanmar, South Africa, Hong Kong, Netherlands, UAE, Portugal, Bangladesh, Sri Lanka, Malaysia and Russia etc. also visited the stands of the members of the Council.

Round Tables: Around 26 Round Table discussions were organised by the EPCs in their respective Halls. Texprocil organised 2 Round Tables while PDEXCIL organised 1 Round Table in Hall 8.

Conferences: Five Union Ministers including the Hon’ble Ministers for Urban Development; Roads, Transport and Highways and Minister of States for Commerce and Industry, Skill Development and Development of North East Region, Hon’ble Minister for Agriculture chaired conferences on various themes. The Minister of Housing and Urban Poverty Alleviation and Information and Broadcasting, Shri Venkaiah Naidu delivered the valedictory address in the presence of HMoT, Shri Smriti Irani.

Six major conferences were held simultaneously on the final day of the exhibition in various Seminar rooms at the Mahatma Mandir.

MoUs: At the MoU signing ceremony held on the second day of the event, Texprocil signed MoUs with: China Cotton Textile Association; China Chamber of Commerce for Import & Export of Textiles; and Indo – Polish Chamber of Commerce. The scope of the MoUs are to extend mutual cooperation in promoting trade, investment and exchange of information on developments in textile trade. In addition to MoUs signed by the Council, one of the members, Vardhman Textiles Ltd. also signed MoUs with three of their customers from Japan for sourcing yarn / fabric worth US$ 20 million per year from them over a period of next three years.

Delegation Meetings: An 11 member delegation from China under the leadership of Ms. Zhu Bei Na, Chairperson, China Cotton Textile Association (CCTA) visited the event and met with the Indian cotton textile manufacturers. The purpose of the visit was to understand recent developments in the cotton textile sector in India and explore possibility of increasing bilateral trade in textile and machinery sectors.

A four member delegation from Vietnam led by Mr. Tran Thu Huong, Principal Official – Light Industry Department also met with the Chairman, Vice Chairman and Executive Director of Textprocil. In view of the fact that USA is no longer a part of TPP, measures were discussed to increase trade and reduce lead time for Indian exports to Vietnam. The delegation later also visited the Texprocil stall.

On the sidelines of Textiles India 2017, the Ministry of Textiles in association with CII and TEXPROCIL had conducted a Country Session on Korea on June 30, 2017. The objective of the Session was to engage with Korean and Indian participants on the potential of each other’s markets, our trade engagements under the Comprehensive Economic Partnership Agreement and on Korean investments in the textiles sector.

Texprocil Stall: The Council and its members were located in Hall 8 of the Helipad Grounds. The Council had a 48 sq. mt. stall with the theme of Indian Cottons Global Reach! The Council received a total of 72 enquiries of which 57 were domestic while the balance 15 were international.

The Council printed booklets of the member exhibitors in Hall 8 with their company profiles and these were freely distributed in Texprocil themed cotton bags along with other Council promotional literature. Meetings with the Chinese and Vietnamese delegation were also held on the first day of the show.

Feedback and Conclusion: The Council received a feedback from 70% of the members who had exhibited at the Show. Over 70% of the companies found the event beneficial for their products while 65% were happy with the venue. Over 50% of the companies were not happy with the pre event services provided by the organisers i.e. CII while 78% of them were happy with Texprocil’s services. Total business negotiated at the Show were approx. 75 million USD. The average number of enquiries received over the three days was about 650. Even though there were a few problems with reference to the facilities provided and the various organisational issues faced by all exporters, about 75% of the companies mentioned that they would participate again in this event.

In conclusion, this event provided a good start for domestic as well as export business and is seen as a first step towards consolidating this Show as a relevant and significant textile event in India. However it is important to note that a venue be properly chosen to host future editions keeping in mind the facilities provided for all exhibitors and buyers.

:: TEXPROCIL ::
On the sidelines of Textiles India 2017, the Ministry of Textiles in association with CII and TEXPROCIL had conducted a Country Session on Korea on June 30, 2017. The session which was presided by Shri Anant Kumar Singh, Secretary (Textiles) was attended by a High Level delegation of KOFOTI (Korea Federation of Textiles Industries) led by the Chairman, Mr. Kihak Sung as well as by a delegation from Daegu. Besides, the session was attended by Buyers and Korean and Indian exhibitors. Shri Sanjay Chadha, Joint Secretary, Department of Commerce and Ms. Aditi Das Raut, Trade Adviser, Ministry of Textiles were also present at the session.

The objective of the Session was to engage with Korean and Indian participants on the potential of each other’s markets, our trade engagements under the Comprehensive Economic Partnership Agreement and on Korean investments in the textiles sector. Shri Ujwal Lahoti, Chairman, TEXPROCIL made a presentation on “Opportunities to export Cotton textiles to South Korea”. In his presentation, he highlighted the fact that the awareness among the Korean Buyers and Indian exporters need to be increased.

Other speakers at the session made presentations on various subjects like Overview of India-Korea Bilateral Trade and Impact of CEPA, Opportunities in the Textiles sector in Gujarat, Initiatives taken on Ease of Doing Business & Opportunities in Textiles and areas of Investments for Korean Investors, Korean Textiles industry Overseas Investments, India- A Growing Market for Technical Textiles, New Development Fabric with Brand and India’s Growing Textile machinery Market.

Dr. Siddhartha Rajagopal, Executive Director in his vote of thanks mentioned about the huge potential for trade in textiles between India and South Korea which need to be fully tapped especially in the context of Indo-Korea CEPA.

TEXPROCIL holds meeting of exporters to discuss GST

As part of its efforts to guide and train its members, the Council held a meeting of its members at its office in Mumbai on 5.7.2017 to discuss GST related issues. During the meeting various aspects of Exports under the GST regime such as Exports under Bond/LUT, Factory Stuffing, Utilization of Duty Credit Scrips issued under the FTP 2015-20, method of calculating IGST on export and import goods, input tax credit credits, job work & reverse charge mechanism, Transitional Provision of Duty Drawback Scheme etc. were discussed. The members had sought clarifications on many of the procedures and documentations to be followed. All the queries were suitably clarified. Some issues that need to be addressed were also noted based on the suggestions from the members. All these issues will be taken up by the Council suitably with the Government. The Council will be holding many such meetings at its office and at major centres to guide its members and also to ensure their smooth transition to the GST regime. The next meeting will shortly be held by the Council at Coimbatore.

For more information on Global Textile Markets,
Please contact us on Email : info@texprocil.org

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

The Council has recently obtained ISO-9001:2008 Certification. As part of the ISO documentation concerning ‘Customer Satisfaction’ we are seeking feedback from our Members on the services offered by the Council. Accordingly kindly fill in your complete information below and respond to the questions below by tick (✓) marking appropriate response in the space provided or with suggestions in brief wherever necessary. We value your association with us and prompt feedback.

**COMPANY INFORMATION**

<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>
</tr>
</tbody>
</table>

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

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

<table>
<thead>
<tr>
<th>Membership Rate Here</th>
<th>Trade Development Rate Here</th>
<th>Trade Promotion Rate Here</th>
<th>Trade Services Rate Here</th>
<th>Trade Intelligence Rate Here</th>
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</thead>
<tbody>
<tr>
<td>Procedure for New Membership</td>
<td>Publication: E-Newsletter</td>
<td>Intl. Fairs &amp; Events</td>
<td>Certificate of Origin</td>
<td>Interactive Website</td>
</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>
</tr>
<tr>
<td>RCMC Amendment</td>
<td>Circulation Trade Enquiries Award</td>
<td>MDA/MAI Schemes</td>
<td>Information on Exim policy/Amendment DBK</td>
<td>Information Disseminated</td>
</tr>
</tbody>
</table>

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

   - YES
   - NO

   Suggestion:

b. If you have replied ‘no’ above, please suggest how the Council can improve the services (use additional sheet if required)

3) How is your company benefitting from the Exhibitions / BSMs being organized by the Council? *Tick (✓)*

   - Accessing new Markets
   - Generating additional business
   - Others (Pls. Specify):

   - Making new Contacts (Trade Enquiries)
   - Any Others

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
   - Others (Pls. Specify):

   - Redressal of Trade related grievances
   - Any Others

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.

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**Join Us... Now! Avail info. on Membership Benefits on email : info@texprocil.org**
The Registration as well as Renewal fees for membership of the Council has been revised w.e.f. 01.04.2017.

Accordingly New Registration Fee Structure is 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>17000/-</td>
<td>3060/-</td>
<td>20060/-</td>
</tr>
<tr>
<td><em>(including Rs.6000/- as Entrance Fee)</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registered Textile Exporter (including Rs.3000/- as Entrance Fee)</td>
<td>9000/-</td>
<td>1620/-</td>
<td>10620/-</td>
</tr>
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</table>

The Annual Renewal Subscription amount for the financial year 2017-2018 (due from 1st April, 2017) is 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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</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>
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</table>

Note for Members:

Members are also requested to submit the CA Certificate as per the format given below certifying the Export Turnover for F.Y. 2015-2016 & F.Y. 2016-2017 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.

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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 2015-2016 & 2016-2017 as follows:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Description</th>
<th>2016-2017 (Rs. FOB Value)</th>
<th>2015-2016 (Rs. FOB Value)</th>
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</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></td>
<td>TOTAL</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/before 31.03.2017:

Please apply immediately for renewal of RCMC with the following documents:

1. Copy of your Import-Exporter Code (IEC)
2. In case of Manufacturer Exporter, a copy of Manufacturing Licence
3. In case of changes in Partners, a copy of revised deed of partnership
4. In case of changes in Directors, a copy of Form 32/DIR-2 or Board Resolution for those who have resigned or newly appointed.

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