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64th

ANNUAL REPORT
2017 - 2018



COMMITTEE OF ADMINISTRATION



Sri Narain Aggarwal
Chairman



Ronak Rughani
Vice-Chairman

MEMBERS



Anil Rajbanshi
Reliance Industries Ltd.



S. K. Khandelia
Sutlej Textiles & Industries Ltd.



Praveen Kumar S. Sach
Shree Krishna Dyg. & Ptg. Works



Pankaj Tibrewal
The Rai Saheb Rakhchand
Mohota Spg. & Wvg. Mills Ltd.



Manoj Agarwal
Shubhalakshmi Polyesters Ltd.



Sallish Goenka
P.D. Impex



Vijay Puri
Vijay Fabrics Pvt. Ltd.



Rajesh Kumar Modi
Barbury Exports
(A Div. of
Barbury Impex Pvt. Ltd.)



Vinod Kumar Singal
Aakash Textiles Exports Pvt. Ltd.



Shaleen Toshniwal
Banwara Syntex Limited



Anil Kumar Gupta
Wellknown Polyesters Ltd.



Sanjay Kumar Verma
Grasim Industries Ltd.



Bhalesh R. Mehta
Rachna Art Prints Pvt. Ltd.



Dhiraj Raichand Shah
Fairdeal Filaments Ltd.



Ahmed Abdul Sattar Khatri
Yasmeen Silk Corporation



Ravindra Arya
Bindal Exports Ltd.



Vikas Ladia
D'décor Exports Pvt. Ltd.



Ashish Mahajan
Mahajan Textile Finishers Pvt. Ltd.



Punkaj Lath
Euro Vistas (India) Ltd.



Subhash Chand Goyal
Mahendra Cotton Mills Pvt. Ltd.



Bhadrash Dodhia
Dodhia Synthetics Limited



Dr. Kavita Gupta, IAS
Textile Commissioner
Govt. of India



A. Madhukumar Reddy
Joint Secretary
Govt. of India



Aditi Das Rout
Trade Advisor
Govt. of India

EX-OFFICIO MEMBERS

NOTICE

Notice is hereby given that the 64th Annual General Meeting of the Council will be held on Friday, 28th September, 2018 at 2.30 P.M. in the Panorama Hall, The Ambassador Hotel, Veer Nariman Road, Churchgate, Mumbai 400 020, to transact the following business:

1. To receive and adopt the Annual Report of the Committee of Administration for 2017-2018 as required under Article 34.2. of the Articles of Association of the Council.
2. To receive and adopt the Audited Balance Sheet as on 31st March 2018 and Income and Expenditure Account for the year ended on that day together with Committee's Report thereon.

NB: Any member desirous of asking question on the accounts at the meeting is required to give notice in writing to the Executive Director Cum Secretary at or before 5.30 p.m. on Friday, 21st September, 2018.

3. To elect a member to the Committee of Administration in place of Shri Manoj Agarwal (Manufacturer) who retires by rotation and is eligible for re-election.
4. To elect a member to the Committee of Administration in place of Shri Rajesh Kumar Modi (Manufacturer) who retires by rotation and is eligible for re-election.
5. To elect a member to the Committee of Administration in place of Shri Bhadrash M. Dodhia (Manufacturer) who retires by rotation and is eligible for re-election.
6. To elect a member to the Committee of Administration in place of Shri Praveen Kumar S. Sadh (SSI) who retires by rotation and is not eligible for re-election as per Article 27.7 d
7. To elect a member to the Committee of Administration in place of Shri Anil Kumar Rajvanshi (Status Holder) who retires by rotation and is not eligible for re-election as per Article 27.7 d.
8. To elect a member to the Committee of Administration in place of Shri Pankaj Tibrewal (Merchant Exporter) who retires by rotation and is not eligible for re-election as per Article 27.7 d.
9. To elect a member to the Committee of Administration in place of Shri Vinod Kumar Singal (Merchant Exporter) who retires by rotation and is eligible for re-election.
10. To appoint Auditors from the conclusion of the meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

11. Special Business

- (i) To consider and if thought fit to pass with or without modification the following as an ordinary Resolution:
"RESOLVED THAT THE EXPENDITURE INCURRED IN EXCESS OF THE BUDGET ESTIMATES FOR THE YEAR 2017-2018 IN RESPECT OF CERTAIN HEADS AS MENTIONED IN ANNEXURE 'A' OF THE REPORT OF THE COMMITTEE OF ADMINISTRATION BE AND IS HEREBY CONFIRMED AND SANCTIONED".
- (ii) To consider and amend the Article of Association of the Council with or without modification as a Special Resolution.
"RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTION 14 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT 2013 (INCLUDING ANY AMENDMENTS THERE TO OR RE-ENACTMENT THEREOF) AND FTP (2015-20), THE ARTICLES OF ASSOCIATION OF THE COUNCIL IS REQUIRED TO BE AMENDED."

By Order of the Committee of Administration

Sd/-
S. BALARAJU
EXECUTIVE DIRECTOR CUM SECRETARY

Registered Office:
'Resham Bhavan'
78, Veer Nariman Road
Mumbai 400 020
Dated: 11th July, 2018

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT 2013.

ITEM NO. 11

SPECIAL BUSINESS

- (i) Though the total expenditure is less than the Budget Estimates, there is a small excess expenditure under certain heads over the budgeted provisions. These have been mentioned in Annexure 'A' to the report of the Committee of Administration. The excess may be confirmed and sanctioned.
- (ii) Amendment in Article of Association is required for further clarity on the legal representation of firms in the Committee of Administration in parity with the Companies Act 2013.

The Committee recommends to the members to pass the Resolutions mentioned in Item no. 11.

By Order of the Committee of Administration

Sd/-
S. BALARAJU
EXECUTIVE DIRECTOR CUM SECRETARY

Registered Office:
'Resham Bhavan'
78, Veer Nariman Road
Mumbai 400 020
Dated: 11th July, 2018

DESIGNATED HEADS OF THE SRTEPC

SHRI SRI NARAIN AGGARWAL, CHAIRMAN, SRTEPC

Shri Sri Narain Aggarwal, Managing Director of Praful Group of Industries, Surat has been unanimously elected as the Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) in February 2017, for a period of two years. Shri Sri Narain Aggarwal is one of the Senior Members of the Committee of Administration having experience of more than a decade.

Shri Aggarwal has more than 30 years of experience in the textile field having been looking after the operational and financial aspect of the Praful Group. He is the main Co-ordinator for implementing of new projects of the group.

Shri Aggarwal has successfully convened various international Exhibitions abroad and in India of the Council. He has played the major role being a Chairman of the Council in organising Textiles India 2017, Gandhinagar, including signing of Seven MoUs with the participating buyers & Trade bodies of Poland, Slovakia, Malaysia, Afghanistan and Sri Lanka. Also he had actively initiated Round Table Conferences on Waterless Textiles Processing / 3D Printing and Zero Liquid Discharge during the Textiles India 2017.

He has been the Regional Chairman of The Synthetic & Rayon Textiles Export Promotion Council in Surat for a long time and President of Agarwal Vikas Trust, Surat. He is also the Executive member of Regional Advisor Committee of Central Excise and Customs; Southern Gujarat Chamber of Commerce in Surat and South Gujarat Processors Association.

Shri Aggarwal is also keenly involved in various social and trade activities in Surat.



SHRI RONAK RUGHANI – VICE CHAIRMAN (CHAIRMAN ELECT) SRTEPC



Shri Ronak Rughani, Joint Managing Partner, M/S Rughani Brothers, Mumbai has been elected as the Vice Chairman (Chairman elect) of The Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) in March, 2017. He has been associated with SRTEPC as a member since 1994. From 2010 he has been serving as a Board Member in the Committee of Administration, actively involving himself in the various export promotional activities of the Council. A charismatic and visionary leader, Shri Rughani is being groomed to take over as the Chairman of the Council in 2019.

At 41, Shri Ronak Rughani will be the youngest individual to become the Chairman of an Export Promotion Council in India. He is a commerce graduate with a post graduation Diploma in Family Business (FMBA) from NMIMS, Mumbai in 2007.

Shri Ronak Rughani has ably led his company, M/S Rughani Brothers, established in 1977, to become a Government of India Recognized Star Export House. M/S Rughani Brothers, a leading company in exports of Men's wear Fabrics and Garments is a 100% Export Oriented Firm. Shri Rughani brings to the table 23 years of experience and expertise in the Textile Industry and has extensively travelled across the globe. A popular and well known personality among leading importers, buyers and manufacturers in many countries, Shri Rughani has deep knowledge and insights of production processes spanning the entire textile value chain right from fiber to fabric to fashion.

SHRI ANIL RAJVANSHI, IMMEDIATE PAST CHAIRMAN

Shri Anil Rajvanshi, Senior Executive Vice President & Head Corporate & Industry Affairs of M/s. Reliance Industries Ltd. (RIL) was unanimously elected as the Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) for a period of two years (January 2015 to February 2017). Shri Rajvanshi is a long Standing Member of Committee of Administration of the Council (SRTEPC).

During his tenure as Chairman of the Council, Shri Anil Rajvanshi, has actively represented in various Meetings with the Ministries, Govt. of India of Board of Trade, Textiles Policy, Export Policy and Targets, Duty Drawback and GST etc. Council's various international exhibitions abroad and in India including Source India RBSM, Surat and Textiles India 2017, Gandhinagar have been successfully undertaken under his leadership and guidance.

Shri Rajvanshi is also the member of the National Committee of Textiles of Confederation of Indian Industry (CII) and Federation of Indian Chamber of Commerce & Industry (FICCI). He is also associated with the Textiles Committee and represents Reliance Industries Limited at The Synthetic & Art Silk Mills Research Association (SASMIRA). He has many years of experience of working with major fibre producers and has been involved with the Indian Man-made fibre textiles industry since 1989.

Shri Rajvanshi was associated with Acrylic Fibre while at the helm of affairs at Indian Acrylics Ltd.

Shri Anil Rajvanshi is the Director of Recron (Malaysia) Sdn Bhd, a Reliance Group company and operates world's largest integrated textile complex.



EXPORT PERFORMANCE

EXPORT PERFORMANCE OF INDIAN MAN-MADE FIBRE TEXTILES (MMF)

Exports of Indian MMF textiles during April-March 2017-18 were US\$ 6023.98 million against US\$ 5853.49 million during the same period of the previous year showing a growth of 2.91%. The detailed product-wise break-up is given below:

Product	In Quantity (000)		% Change Apr-Mar 2016-17	Apr-Mar 2017-18	In Value USD Mn		% Change Apr-Mar 2017-18
	Unit	Apr-Mar 2017-18			Apr-Mar 2017-18	Apr-Mar 2016-17	
Fabrics	Kgs	79190	70061	13.03	1995.74	2018.67	-1.14
	Sqm	1639626	1648629	-0.55			
Yarn	Kgs.	1003842	1025457	-2.11	1950.81	1796.11	8.61
Made-ups	Kgs.	694774	674890	2.95	1490.62	1441.59	3.40
	Nos.	103856	140507	-26.08			
	Sqm	174	90	92.92			
Fibre	Kgs.	382864	412316	-7.14	586.81	597.12	-1.73
Total					6023.98	5853.49	2.91

(Source: MOC)

HIGHLIGHTS

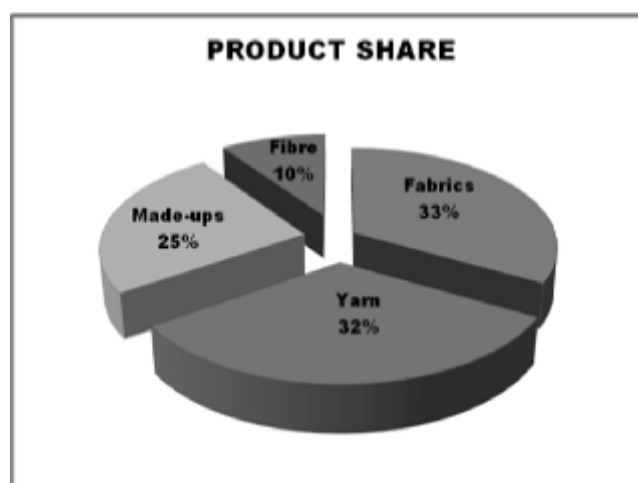
- Indian MMF textiles exports grew nearly 3% during April-March 2017-18 as compared to the same period of the previous year.
- Yarn and Made-ups have witnessed encouraging growth during April-March 2017-18; Viz, yarn by 8.61% and Made-ups by 3.40% whereas export of fibre and Fabrics declined by 1.73% and 1.14% respectively.
- Exports of Fabrics dominated with 33% share followed by Yarn 32%, Made-ups 25% and Fibre 10% in the Indian MMF textile exports.
- Share of the value added segments like fabrics and Made-ups have increased to 58% of total exports.
- In the fabrics segment Synthetic Filament Fabrics (US\$ 550.71 Mn) remained the top exported product in India's MMF textile exports followed by Polyester Filament Fabrics (US\$ 452.07 Mn) and Polyester Viscose Fabrics (US\$ 322.51 Mn) during April-March 2017-18.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth (US\$

1125.45 Mn) followed by Polyester Cotton Yarn (US\$ 172.44 Mn) and Polyester Spun Yarn (US\$ 162.62 Mn).

- In Made-ups, exports of Bulk Containers was the leading item with exports worth US\$ 602.75 Mn followed by Shawls/Scarves and Muffler worth US\$ 111.05 Mn and US\$ 111.03 Mn respectively.
- Viscose Staple Fibre (US\$ 269.89 Mn) was the leading item in the MMF category followed by Polyester Staple Fibre (US\$ 262.62 Mn) and Acrylic Staple Fibre (US\$ 31.12 Mn).
- USA and Turkey were the leading markets for Indian MMF textiles during April-March 2017-18 with 10% share each in total exports.
- Neighbouring country Pakistan has emerged as the 9th largest market for India's MMF textile export with a share of 2% during April-March 2017-18.
- Leading markets with positive growth are Brazil (28.28%), Egypt (9.35%), Italy (6.92%), Germany (5.39%) and Belgium (2.54%)
- UAE and USA were the leading markets for Indian MMF Fabrics and USA was also the leading market for Indian MMF Made-ups during the period.

PRODUCT SHARE

During April-March 2017-18, exports of Fabrics dominated in the total exports with 33% share, followed by Yarn 32%, Made-ups 25% and Fibre 10%.



EXPORT PERFORMANCE

FABRICS

Exports of Synthetic Filament fabrics and Polyester Filament Fabrics dominated with a share of 28% and 23% respectively. The major items of exports in this segment were Saree, Shirtings, Suiting, Narrow woven Fabrics, Tyre cord fabrics, Parachute Fabrics and Umbrella Cloth. It is heartening to note that export of fabrics like Nylon Filament fabrics has registered significant growth of 42.28%.

Value in US\$ Million

Products	April-Mar 2017-18	April-Mar 2016-17	Net Change	% Gr/dec
FABRICS (Woven+non-woven+knitted)				
Synthetic Filament	550.71	474.21	76.50	16.13
Polyester Filament	452.07	483.15	-31.08	-6.43
Polyester Viscose	322.51	331.28	-8.77	-2.65
Polyester Blended	127.22	189.52	-62.30	-32.87
Viscose Spun	81.88	84.37	-2.49	-2.95
Synthetic Cotton	46.44	46.85	-0.41	-0.88
Polyester Wool	44.79	46.98	-2.19	-4.66
Viscose Blended	42.06	49.58	-7.52	-15.17
Polyester Cotton	40.21	42.30	-2.09	-4.94
Nylon Filament	22.75	15.99	6.76	42.28
Polyester Spun	20.00	44.11	-24.11	-54.66
Other Fabrics	245.10	210.34	34.76	16.53
Fabrics Total	1995.74	2018.68	-22.94	-1.14

***Synthetic Filament:** HS Codes 54077200, 54072090, 56031200, 54077400, 54079400, 54079200

YARN

In the yarn segment, there is a growth of nearly 9% during 2017-18. Polyester Filament yarn continues to be the main export item with exports of US\$1125.45 Mn, followed by Polyester Cotton Yarn at US\$172.44 Mn, Polyester Spun yarn US\$162.62 Mn. Exports of Nylon Filament yarn had witnessed significant growth of 90%.

Value in US\$ Million

YARN	April-Mar 2017-18	April-Mar 2016-17	Net Change	% Change
Polyester Filament	1125.45	1016.25	109.20	10.75
Polyester Cotton	172.44	165.54	6.90	4.17
Polyester Spun	162.62	148.55	14.07	9.47
Polyester Viscose	144.96	118.81	26.15	22.01
Viscose Spun	75.01	103.83	-28.82	-27.76
Viscose Filament	52.61	49.52	3.09	6.24
Acrylic Spun	45.91	48.61	-2.70	-5.55
Synthetic Spun	39.42	37.34	2.08	5.57
Polyester Wool	27.38	22.22	5.16	23.22
Nylon Filament	19.46	10.24	9.22	90.04
Viscose Cotton	11.51	12.45	-0.94	-7.55
Other Yarn	74.04	62.75	11.29	17.99
Yarn Total	1950.81	1796.11	154.70	8.61

EXPORT PERFORMANCE

MADE-UPS

Export of Indian MMF Made-ups witnessed a growth of 3.40% during 2017-18 as compared to the previous year. In Made-ups, exports of Bulk Containers was the leading item with exports worth US\$ 602.75 Mn followed by Shawls/Scarves and Muffler worth US\$ 111.05 Mn and US\$ 111.03 Mn respectively. USA was the leading market for Indian MMF Made-ups during 2017-18.

Value in US\$ Million

MADE-UPS	April-Mar 2017-18	April-Mar 2016-17	Net Change	% Change
Bulk Containers	602.75	460.39	142.36	30.92
Shawls/Scarves	111.05	145.53	-34.48	-23.69
Muffler	111.03	202.16	-91.13	-45.08
Motifs	81.67	81.95	-0.28	-0.34
Fishing Net	53.21	49.06	4.15	8.46
Blanket	33.49	33.21	0.28	0.84
Rope	25.25	38.15	-12.90	-33.81
Bed Linen	21.69	20.69	1.00	4.83
Bedsheet	19.79	15.15	4.64	30.63
Dress Material	19.03	14.83	4.20	28.32
Sacks and Bags	17.03	11.18	5.85	52.33
Furnishing Articles	12.98	10.22	2.76	27.01
Life Jacket	12.82	11.64	1.18	10.14
Other Made-up	368.83	347.43	21.40	6.16
Made-ups Total	1490.62	1441.59	49.03	3.40

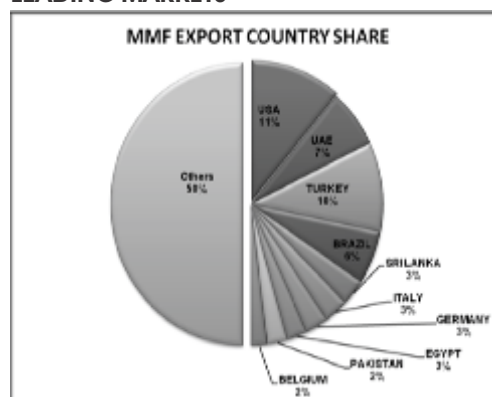
FIBRE

Exports of Indian MMF Fibre declined by nearly 1.73% during 2017-18 as compared to the previous year. However, Viscose Staple Fibre (US\$ 269.89 Mn) was the main fibre in total exports followed by Polyester Staple fibre (US\$ 262.62 Mn) and Acrylic Staple fibre (US\$ 31.12 Mn).

Value in US\$ Million

FIBRE	April-Mar 2017-18	April-Mar 2016-17	Net Change	% Change
Viscose Staple	269.89	312.12	-42.23	-13.53
Polyester Staple	262.62	222.83	39.79	17.86
Acrylic staple	31.12	26.24	4.88	18.60
Other Fibre	23.18	35.93	-12.75	-35.49
Total Fibre	586.81	597.12	-10.31	-1.73

LEADING MARKETS



Value in US\$ Million

Sl No.	Country	April-Mar 2017-18	April-Mar 2016-17	Net Change	%Grw/Decline
1	USA	627.76	570.05	57.71	10.12
2	TURKEY	576.21	462.70	113.51	24.53
3	UAE	377.45	577.01	-199.56	-34.59
4	BRAZIL	348.09	271.35	76.74	28.28
5	SRI LANKA	170.45	169.84	0.61	0.36
6	ITALY	166.08	155.33	10.75	6.92
7	GERMANY	156.43	148.43	8.00	5.39
8	EGYPT	140.10	128.12	11.98	9.35
9	PAKISTAN	135.79	125.63	10.16	8.09
10	BELGIUM	113.12	110.32	2.80	2.54

EXPORT PERFORMANCE

MAJOR MARKETS FOR MMF FABRICS

Value in US\$ Million

Country	April-Mar 2017-18	April-Mar 2016-17	Net Change	%Grw/ Decline
UAE	211.94	334.79	-122.85	-36.69
USA	164.34	161.15	3.19	1.98
SRI LANKA	139.64	134.04	5.60	4.18
PAKISTAN	62.94	66.15	-3.21	-4.85
EGYPT	37.80	34.02	3.78	11.11
ITALY	25.19	23.85	1.34	5.62
BELGIUM	20.09	20.58	-0.49	-2.38
GERMANY	14.58	14.57	0.01	0.07
TURKEY	13.45	8.16	5.29	64.83
BRAZIL	7.07	4.32	2.75	63.66

MAJOR MARKETS FOR MMF MADE-UPS

Value in US\$ Million

Country	April-Mar 2017-18	April-Mar 2016-17	Net Change	%Grw/ Decline
USA	259.67	261.45	-1.78	-0.68
UAE	195.93	225.22	-29.29	-13.01
GERMANY	107.30	96.17	11.13	11.57
ITALY	73.58	89.08	-15.50	-17.40
NETHERLANDS	42.74	45.37	-2.63	-5.80
SAUDI ARABIA	30.85	32.09	-1.24	-3.86
BELGIUM	28.04	25.88	2.16	8.35
SRI LANKA	9.57	12.09	-2.52	-20.84
TURKEY	10.00	8.91	1.09	12.23
PAKISTAN	3.54	4.00	-0.46	-11.50
BRAZIL	6.67	3.58	3.09	86.31
EGYPT	6.75	3.57	3.18	89.08

MAJOR MARKETS FOR MMF YARN

Value in US\$ Million

Country	April-Mar 2017-18	April-Mar 2016-17	Net Change	%Grw/ Decline
TURKEY	487.99	373.81	114.18	30.54
BRAZIL	322.27	256.05	66.22	25.86
EGYPT	85.30	78.03	7.27	9.32
USA	65.79	62.01	3.78	6.10
BELGIUM	44.48	47.05	-2.57	-5.46
PAKISTAN	31.45	29.90	1.55	5.18
ITALY	25.68	26.10	-0.42	-1.61
GERMANY	23.58	21.16	2.42	11.44
SRI LANKA	21.23	22.52	-1.29	-5.73
UAE	17.57	13.70	3.87	28.25

MAJOR MARKETS FOR MMF FIBRE

Value in US\$ Million

Country	April-Mar 2017-18	April-Mar 2016-17	Net Change	%Grw/ Decline
USA	88.97	85.96	3.01	3.50
TURKEY	65.59	71.83	-6.24	-8.69
ITALY	20.86	16.48	4.38	26.58
BELGIUM	19.23	16.87	2.36	13.99
PAKISTAN	16.43	25.65	-9.22	-35.95
GERMANY	13.77	16.73	-2.96	-17.69
EGYPT	12.62	12.53	0.09	0.72
BRAZIL	12.56	7.40	5.16	69.73
UAE	0.98	4.08	-3.10	-75.98
SRI LANKA	0.06	1.18	-1.12	-94.92

MEMBERSHIP

The Council had 3089 members
as on 31st March, 2018.

MEETINGS

COMMITTEE OF ADMINISTRATION

The Council held five Meetings of the Committee of Administration (CoA) during the year. Trends in exports of synthetic and rayon textiles were consistently reviewed and analysed during the Meetings especially in the wake of implementation of GST and the problems being faced by the exporters due to it. The Committee also reviewed the export performance of man-made fibre textiles regularly, identified areas of concern, and adopted remedial measures to attain desired momentum of growth. The Committee also deliberated on various policy matters and recommended suggestions and sent representations for removing constraints faced by the exporters. The Committee provided valuable guidance and direction in outlining strategies to reformulate the promotional role of the Council.

Meetings with the Hon'ble Union Minister of Commerce & Industry, GoI

Shri Sri Narain Aggarwal, Chairman; Shri Ronak Rughani, Vice-Chairman and immediate past Chairman, Shri Anil Rajvanshi met the Hon'ble Commerce Minister, Shri Suresh Prabhu in New Delhi on 29th September 2017. During the Meeting various issues regarding reduction of GST from 18% to 12% & mechanism to refund accumulated input tax credit on MMF textiles were discussed. The Hon'ble Minister assured that the issues will be taken up suitably with the Ministry of Finance who in turn will work towards finding effective solutions to the problems.

Chairman and Executive Director had a Meeting with the Hon'ble Union Minister of Commerce & Industry, Shri Suresh Prabhu on 21st December 2017 in New Delhi to apprise him on the pressing issues of MMF textile industry under the GST regime. The Hon'ble Union Minister assured to look into the matter.

Executive Director participated in the Textiles Session at Partnership Summit 2018 and Sunrise AP Investment Meet chaired by Hon'ble Union Minister of Commerce & Industry Shri Suresh Prabhu during 24-26 February 2018 in Visakhapatnam. The Summit was held to meet with potential investors and present opportunities available in the state of Andhra Pradesh

Meetings with the Hon'ble Union Minister of Textiles, GoI

The Chairman and the Executive Director attended a Meeting chaired by the Hon'ble Union Minister of

Textiles, Smt. Smriti Zubin Irani on 15th May 2017 in New Delhi to review the preparedness for Textiles India 2017. The Executive Director also attended a Debriefing Meeting on Textiles India 2017 chaired by the Hon'ble Union Minister of Textiles on 6th July in New Delhi.

Chairman and the immediate past Chairman met the Hon'ble Union Minister of Textiles, on 19th June 2017 in New Delhi to discuss matters relating to GST rates on Textiles.

Vice Chairman and Executive Director attended Meeting chaired by Hon'ble Union Minister of Textiles on 5th December 2017 in New Delhi. The Meeting was called to discuss matters regarding Mid-term Review of the Foreign Trade Policy 2015-20.

Chairman, immediate past Chairman and Executive Director had a Meeting with the Hon'ble Union Minister of Textiles, in New Delhi on 27th February 2018 to discuss on various matters such as Study on MMF textiles, Source India 2018 at Surat, Pending claims of Textiles India 2017, Reduction of GST on Manmade Fibre from 18% to 12%, Increase effective duty on imports of MMF yarn, Early payment of GST refunds, ROSL on fabrics, etc.

Shri V. K. Ladia, former Chairman along with Executive Director attended the IMSC Meeting on TUFs chaired by the Hon'ble Union Minister of Textiles in New Delhi on 23rd March 2018 to discuss on various issues of RRTUFs and ATUFs.

Chairman attended the Mid Term Review Meeting chaired by the Hon'ble Union Minister of Textiles and Secretary (Textiles) on 24th July 2017 in New Delhi to discuss the FTP 2015-20 and suggestions on the same. A detailed suggestions of the Council were submitted to the Ministry.

Meetings with Commerce Secretary, Ministry of Commerce & Industry, GoI

Chairman along with the Executive Director attended the Empowered Committee Meeting chaired by the Commerce Secretary on 4th July 2017 in New Delhi to discuss MAI Scheme for 2017-18. At the Meeting the Empowered Committee approved the additional MAI event i.e. Premiere Vision Istanbul, Turkey to be held in March 2018 by the Council with a total participation of 45 exporters and for total cost of Rs. 101.25 Lakhs.

Additional Director attended Empowered Committee of MAI Meeting on 23rd February in New Delhi chaired by Ms. Rita Teoatia, Commerce Secretary to consider

MEETINGS

proposals for 2018-19 under the MAI Scheme.

Meetings with the Secretary (Textiles), Ministry of Textiles, GoI

Chairman attended Meeting with the Secretary (Textiles) at Mahatma Mandir, Gandhinagar on 10th March to discuss matters regarding Textiles India 2017 to be held in Gandhinagar during June-July 2017 wherein it was decided each EPCs will have to invite foreign buyers for the event.

Chairman and immediate past Chairman met Shri Anant Kumar Singh, Secretary, (Textiles) on 30th May 2017 to apprise him on various matters viz. Textiles India 2017 and GST.

Chairman and the immediate past Chairman met Shri Anant Kumar Singh, Secretary (Textiles) on 19th June 2017 to discuss matters regarding GST rates on Textiles. The Council has requested that the implementation of GST for textiles should be at par for both natural and synthetic fabrics and should not be more than 12% and also be the same at all stages of conversion.

Vice-Chairman and Executive Director attended Meeting chaired by the Secretary (Textiles) in New Delhi on 31st July 2017 to discuss issues relating to ROSL for the period 1st July – 30th September 2017. It was decided that on-line declaration will be generated which will allow drawback division to disperse ROSL to the exporters for the period 1st July – 31st July, 2017. Exporters shall file hard copy of the said declaration and EPCs shall assist exporters to file such declaration, if so required. Subsequently MoT has issued notification that "as a transition measure, the exporter may claim ROSL for garment and made-ups provided he shall have to give an undertaking that he has not claimed or shall not claim credit/rebate/refund/reimbursement of these specific state levies and state GST and / or IGST under any other mechanism".

The Chairman attended Meeting chaired by the Secretary (Textiles), Shri Anant Kumar Singh on 21st August 2017 in New Delhi to discuss policy interventions to enhance growth and competitiveness of MMF textile industry of India

Vice-Chairman and Sr. Brand Officer attended Meeting chaired by Secretary (Textiles) on 22nd August 2017 in New Delhi to discuss Recommendations of roundtables and the conferences held during Textiles India 2017 for appropriate policy interventions. During the Meeting it was decided that the next Meeting will

held on 18th September 2017

Immediate past Chairman and Joint Director (MR) attended a Meeting chaired by Shri Anant Kumar Singh, Secretary (Textiles) in New Delhi on 4th October 2017 to discuss performance of textile sector particularly imports and exports in the current financial year. To immediate past Chairman's point regarding import of fabrics in the post GST regime, the Secretary informed that the rates will be brought back to the pre-GST one level so that the domestic textile industry does not suffer. The Secretary (Textiles) also requested for a detailed representation for the same. The Council has been requested to provide the Refund Provisions under the GST Law, so that based on the same suitable recommendations for rectifying the existing anomaly may be made.

Executive Director attended Review Meeting chaired by the Secretary (Textiles) on 3rd November 2017 to review the status of MoUs.

Executive Director also had an Introductory Meeting with Shri Anant Kumar Singh, Secretary (Textiles); Smt. Pushpa Subrahmanyam, Additional Secretary; Shri Madhukar Reddy, Joint Secretary and Smt. Jaya Dubey, Joint Secretary, Ministry of Textiles on 3rd November 2017.

Chairman, immediate past Chairman and Executive Director attended a Meeting under the Chairmanship of Shri Anant Kumar Singh, Secretary (Textiles) on 27th February 2018 in New Delhi to discuss preparations to hold Textiles India 2018.

Meetings with the High Level Drawback Committee

The Council made a presentation on the All Industry Rates of Duty Drawback under GST before the Drawback Committee which included Shri G.K. Pillai, Chairman of the Drawback Committee, Shri Gautam Ray, Member, Shri Y. G. Parande, Member along with Shri Dinesh Kumar Gupta, Director (DBK) on Friday 28th April, 2017 in Mumbai. Members of the Committee of Administration and Invitees attended the Meeting. The Council proposed for an upward revision in the rates for most of the MMF textile items. The Council's Chairman suggested the Drawback Committee to consider enhancement in the Drawback Rates for all MMF textile items under the GST regime since some of the State and Local level taxes are not subsumed in the GST. During the meeting, the Council also highlighted issues related to - refund of Duty Drawback on Basic Custom Duty (BCD) on inputs, refund of embedded duties such

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as Electricity Duty, Duties on Fuel, LBT etc., refund of duties not covered under GST, extension of Transition period from 3 months to 6 months, extension of deemed credit provision in terms of proviso of CGST Bill etc. The Council also represented issues of our members which included on anomaly in Nylon Filament Fabrics, Duty Drawback, ROSL, Recycling of Plastic Bottles into Yarn & Fabrics etc.

To seek the views of Members of Trade and Industry on Duty Drawback Rates for exports following implementation of GST from July, the newly constituted Drawback Committee headed by Shri G.K. Pillai, Chairman and other Members of the Drawback Committee Shri Gautam Ray, Member, Shri Y.G. Parande, Member, along with Shri Anand Kumar Jha, Under Secretary of the Drawback Division held a meeting with members of SRTEPC on 31st October 2017 in Ahmedabad. The Chairman of the Council Shri Sri Narain Aggarwal made a detailed presentation about the present scenario in the MMF textile sector. He stressed on the fact that India is the second largest producer of MMF, exporting nearly US\$ 6 billion worth of goods to over 150 countries around the world. However, the MMF textile sector is subjected to the highest duty and taxes in India. The Duty Drawback Committee noted the factors that the Council has taken into account while calculating the proposed all industry duty drawback rates for MMF textiles and requested the Council to submit a brief Note on all those issues raised to the DBK Dept. at the earliest to enable them recommend the same to the GST Council for consideration and decision. Accordingly the Council has submitted a brief note incorporating the GST to the Committee.

Meetings with Joint Secretary, Ministry of Commerce & Industry

Addl. Director attended Meeting of Sub-Committee on MAI on 24th April 2017 chaired by Shri Ali R. Rizvi, Joint Secretary, Department of Commerce, MoC. Dr. Subrata Gupta, JS (Exports), MoT was also present at the Meeting. The topic of discussion was about additional proposals for Export Promotion Programme for 2017-18 under MAI Scheme.

Chairman met Shri Manoj Dwivedi, Joint Secretary, Ministry of Commerce & Industry on 24th July 2017. Chairman also met Dr. Subrata Gupta, Joint Secretary, MoT; Shri A. Madhukumar Reddy, Joint Secretary, MoT and Shri Puneet Agarwal, Joint Secretary, MoT on 24th July 2017 to discuss the Impact of High rates of GST on synthetic yarn and fibres. They informed the Chairman

that the matter will be examined for consideration. During the Meeting Council's participation and contribution in Textiles India 2017 was reviewed. The reallocation of fund for reimbursement of the expenses incurred by the Council for various activities was clarified.

Sr. Brand Officer attended a Meeting chaired by Shri Shyamal Misra, JS, MoC on 1st September 2017 in New Delhi. Visit of Delegation led by MOS (C&I) to Cuba and Panama and participation in FIHAV were discussed during the Meeting.

Addl. Director attended a Meeting chaired by Shri Shyamal Misra, JS, MoC on 22nd September 2017 in New Delhi. During the Meeting MAI Proposal for 2018-19, 2019-20 and 2020-21 to the LAC Region, Promotional Programmes for the three years to the LAC region were discussed.

Chairman, Vice Chairman and immediate past Chairman met Shri Manoj Dwivedi, JS, MoC on 29th September 2017 in New Delhi to discuss matters relating to GST especially regarding reduction of GST from 18% to 12%

Chairman and Executive Director met Shri Amitabh Dwivedi, Deputy Secretary and Shri Manoj Dwivedi, Joint Secretary, Ministry of Commerce & Industry on 21st December 2017 in New Delhi for discussing issues of MMF textile industry under the GST regime and appeal for Provisional Anti-Dumping Duty on import of nylon filament yarn from Vietnam and Europe.

Sr. Brand Officer attended a Meeting chaired by Shri Manoj K, Dwivedi, JS, EP-Textiles Co-ordination on 27th December 2017 in New Delhi to discuss matters relating to Impact of WTO Regulations on Textiles and the way forward. During the Meeting each Council was requested to submit a detailed proposal to the DGFT & MOT.

Sr, Brand Officer attended the India-Peru Trade Agreement – Stakeholders Consultation Meeting chaired by Shri Shyamal Misra, Joint Secretary, Minister of Commerce & Industry on 27th December 2017 in New Delhi. A detailed wish list with all justifications & calculations was asked to be submitted. Council has accordingly submitted the details.

Executive Director and Additional Director attended a Meeting chaired by Shri Rajneesh, Joint Secretary, Ministry of Commerce & Industry on 9th January 2018 to consider proposals for Promotion Programme during 2018-19 recommended by Territorial/Commodity

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Divisions. The final decision for organizing the Council's proposed Promotional Events along with the amount of specific funding under the MAI Scheme will be finalized by the Empowered Committee (EC) Meeting, to be chaired by the Commerce Secretary shortly. Further Addl. Director attended a Meeting on 10th January 2018 in New Delhi chaired by Shri Rajneesh, Joint Secretary, Ministry of Commerce & Industry to consider proposals for 2018-19 recommended by Territorial/Commodity Divisions. At the Meeting it was informed that the final decision for organizing the Council's proposed Promotional Events along with the amount of specific funding under the MAI Scheme will be finalized by the Empowered Committee (EC) Meeting, to be chaired by the Commerce Secretary shortly.

Addl. Director attended a MAI Meeting on 13th February in New Delhi chaired by Ms. Anita Parveen, JS, MoC to discuss the proposals recommended for 2018-19 under the MAI Scheme related to the European countries.

Meetings with Joint Secretary, Ministry of Textiles

Chairman and immediate past Chairman met Shri Puneet Agarwal, JS, MoT; Dr. Subrata Gupta, JS, MoT; Smt. Pushpa Subramanian, Addl Secretary, MoT; Shri Neerav Kr. Mallick, Director MoT; Ms. Noopur Jhunjhunwala, Additional PS to Hon'ble Union Minister of Textiles on 3rd April 2017 to discuss various issues relating to Textiles India 2017. During the Meeting various matters regarding participation of SRTEPC in the Textiles India 2017 were discussed.

The Executive Director attended a Meeting chaired by Dr. Subrata Gupta, JS, Exports, MoT on 17th April 2017 in New Delhi to discuss additional proposals for Export Promotion Events/Exhibitions for recommendation to DOC, and to explore the possibility of diverting some funds from those events approved earlier by the Ministry (for Export Promotion Events in Russia, Egypt and Sri Lanka) under the MAI Scheme to Textiles India 2017. During the Meeting the Textile Delegation to Kazakhstan being led by the JS (Exports) about the India-Kazakhstan JWG meeting to be held in Shymkent during 20-22 April 2017 was also discussed.

Chairman and Addl. Director attended Meeting chaired by Dr. Subrata Gupta, JS (Exports) on 4th May 2017 to discuss matters relating to Textiles India 2017. During the Meeting various modalities regarding funding, inviting buyers for the Textiles India 2017 were concluded.

The Executive Director met Dr. Subrata Gupta, JS (Exports) on 15th May 2017 in New Delhi to discuss issues relating to Textiles India 2017. Various matters regarding space allocation, Round table conference, Booth allocation, inviting buyers for the Textiles India 2017 were taken up during the Meeting.

The Executive Director met Dr. Subrata Gupta, JS (Exports) on 16th June 2017 in New Delhi to discuss issues relating to Textiles India 2017. A presentation was made by CII on the B2B platform under www.textilesindia2017.com designed to facilitate B2B meeting for Textiles India 2017. Further decisions were taken up for registration buyers / exhibitors under the Textiles India portal. Duties regarding State sessions, Round table conferences, B2B meetings and invitations including reimbursement of Airfare and Hotel to Speakers were discussed.

The Executive Director attended Meeting chaired by the Dr. Gupta, JS on 16th August 2017 in New Delhi. At the Meeting the JS suggested that the tariff lines be submitted as per the template provided for the period 2016-17 so that a final decision can be taken by the Ministry to recommend to the Revenue Secretary. Accordingly the import data is being collated as per template and the same has been submitted to the Ministry of Textiles.

The Executive Director met Shri Madhukumar Reddy, JS, MoT on 16th August 2017 in New Delhi for follow up of the payment related to Textiles India 2017.

Sr. Brand Officer attended a Meeting chaired by Dr. Subrata Gupta, JS Exports on 9th October 2017 in New Delhi. The Meeting was called to discuss regarding the Status on submission of claims related to Textiles India 2017.

Meeting with DGFT, MoC&I

Chairman, Immediate past Chairman and DD (MR) attended Meeting chaired by Shri A. K. Bhalla, DGFT on 3rd April 2017 in New Delhi for Presentation of SRTEPC Mid Term Review. The Chairman represented the MMF textiles sector and their issues for the Mid Term review.

Meetings with Trade Advisor

Chairman and immediate past Chairman met Ms. Aditi Das Rout, Trade Advisor, MoT and Dr. Subrata Gupta, JS, MoT on 18th April 2017 in New Delhi to discuss issues relating to Textiles India 2017.

Chairman and Immediate past Chairman met Ms.

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Aditi Das Rout, Trade Advisor, MoT on 30th May 2017 to discuss matters relating to Textiles India 2017.

Additional Director attended a Meeting chaired by Ms. Aditi Das Rout, Trade Advisor, MoT on 11th October 2017 in New Delhi to discuss events under MAI Scheme for the year 2018-19.

Chairman and Executive Director attended Meeting chaired by Ms. Aditi Das Rout, Trade Advisor, Ministry of Textiles on 5th December 2017 in New Delhi to discuss matters relating to Mid term Review of the Foreign Trade Policy 2015-20

Vice Chairman and Executive Director met Ms. Aditi Das Rout, Trade Advisor, Ministry of Textiles on 5th December 2017 in New Delhi to discuss regarding Mid-term Review of the Foreign Trade Policy 2015-20.

Immediate past Chairman met Ms. Aditi Das Rout, Trade Advisor on 26th March 2018 in New Delhi to discuss regarding payment of Textiles India 2017 to be received by the Council

Grievance Committee Meetings

The AD (ES) attended the Grievance Redressal Committee Meetings held regularly by the O/o Additional DGFT, Mumbai. The meetings were held to discuss the various issues faced by exporters in procedural and policy operations.

Other Meetings

GST related

Executive Director and AD (ES) attended the Meeting on GST at TEXPROCIL on 3rd April, 2017. A presentation on "GST & Textiles" was made by experts from AT Kearney, a consulting firm on GST related matters.

Chairman and the immediate past Chairman met Shri Alok Shukla, Joint Secretary, Central Board of Excise and Custom (CBEC) on 22nd June 2017 in New Delhi to discuss matters relating to GST rates on textiles.

The Executive Director attended the GST preparedness Review Meeting on 6th July 2017 to review GST.

Asst. Director (ES) attended the Session of GST Outreach Interactive Programme organised by the Indian Silk Export Promotion Council on 9th August 2017 to facilitate the members for clarification with regard to procedural issues on implementation of GST. A

presentation was also made during this programme. A panel discussion was organized on the issues in the shape of Questions & Answers.

Sr. Brand Officer and Assistant Director (ES) attended the Niryat Bandhu Seminar organised by the O/o ADGFT, Mumbai on 23rd August 2017 for Export & GST. Shri K.M. Harilal, Dy. DGFT conducted the Session to educate exporters on the implications of GST on the export sector such as HSN Codes, reverse charge, composition scheme and basic procedures to file returns, under the new GST regime.

Senior Brand Officer & Assistant Director (ES) attended Interactive Session on Mid Term Review of FTP with DGFT organized by FIEO on 29th August 2017 to discuss on specific issues pertaining to the GST implementation w.r.t to FTP. DGFT informed that he would be taking up the issues discussed during the Meeting with the State Government of Maharashtra and also with the GST Council whom he will be meeting shortly.

Export Promotion related

Addl. Director attended a Meeting under the Chairmanship of Shri K. V. Nagi Reddy, Director (FT-LAC) on 5th April 2017 in New Delhi to discuss MAI Proposals for next 3 years in LAC and EU region. Addl. Director also attended a Meeting chaired by Shri Balbir Singh, Under Secretary, (FT-LAC) on 5th April 2017 in New Delhi.

The Executive Director met Shri Neerav Kumar Mallick, Director, MoT on 17th April 2017 to discuss issues pertaining to Textiles India 2017.

Chairman and immediate past Chairman met Smt. Jaya Dubey, Director on 19th April 2017 in New Delhi to discuss matters regarding Textiles India 2017.

Chairman and Addl Director met Shri Neerav Kumar Mallick, Director, Ministry of Textiles on 4th May 2017 to discuss matters regarding Textiles India 2017. Additional Director also met Shri G. K. Rajnish, Under Secretary, Ministry of Textiles on 4th May 2017 in New Delhi to discuss matters relating to Textiles India 2017.

The Executive Director attended a MAI Meeting held on 4th July 2017 for evaluation of the MAI Scheme.

Executive Director met Shri Rajeev Kumar, Under Secretary, MoC on 5th July 2017 in New Delhi to ascertain the funding extended to MAI under the MDA

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provision for reimbursement of air fare. MOC has recommended Rs. 45 Lakhs towards the same for three events of SRTEPC. The order for which will be released once the approval from AS&FA is received.

Additional Director attended a Meeting presided by Shri P. V. Hari Kumar, Director, FT (NAFTA) on 16th August 2017 in New Delhi to discuss about Visit of Delegation led by the Hon'ble Union Minister of State for Commerce & Industry to Havana, Cuba during 30th October – 2nd November 2017.

JD (MR) met Mr. Rajeev Kumar, Under Secretary, Ministry of Commerce & Industry on 4th October 2017 in New Delhi to discuss regarding Surat RBSM proposal. It was informed that the utilisation certificate (UC) of the Textile India Funds be submitted at the earliest

Addl. Director attended a Meeting on 14th November 2017 in New Delhi convened by Ministry of Commerce to discuss MAI proposals for 2018-19.

Executive Director met Shri Rajeev Kumar, Under Secretary, Ministry of Commerce & Industry on 4th December 2017 in New Delhi. Also met Shri Amitabh Dwivedi, Deputy Secretary, Ministry of Commerce & Industry on the same day regarding MAI Proposals for the year 2018-19

Executive Director attended the 1st Meeting of the Steering Committee on Technotex 2018 on 4th December 2017 in New Delhi to discuss regarding Technotex 2018 An International exhibition and conference on Technical Textiles.

Others

The Executive Director and AD (ES) attended an Interactive Meeting organized by FIEO on Ease of Doing Business at Mumbai on 7th April 2017. The Invitees to the Interactive Meeting included Dr. John Joseph, IRS, Chief Commissioner of Customs, Shri Anil Diggikar, IAS, Chairman, JNPT and Dr. Sonia Sethi, (IAS) Additional DGFT, Mumbai answered to questions/queries of Members of Trade, Associations, CHAs, other stake holders and representatives of other EPCs regarding ease of doing business. A power point presentation was made by Shri Neeraj Bansal, IRS, Dy. Chairman, JNPT on Direct Port Delivery & Direct Port Entry in Customs. Dr. John Joseph said that the issues mentioned above would be taken up with the concerned authorities and assured that they will come up with a quick solution

Executive Director attended a Meeting chaired by Shri Kunji Lal Meena, IAS, Commissioner (Industries) on 24th May 2017 in Jaipur. Hon'ble CM's Budget 2017-18 declaration to establish 2 textiles and agro food centres in Rajasthan. The Commissioner (Industries) suggested that a mother centre for export promotion be located in Jaipur to oversee all export related activities of the State and various other working centres be set up at various clusters for textiles, etc. SRTEPC has been requested to prepare a concept note on the working modalities and structure of the centre based on its experience and the requirement of the industry from Bhilwara. ED assured to prepare a concept note and submit it in due course. Commissioner, Industry suggested to name this centre as "Centre of Export Promotion for Textiles (CEPT).

Executive Director attended the Parliamentary Standing Committee on Commerce on the subject "Trade with Association of South East Asian Nations(ASEAN) Meeting on 25th May 2017 in New Delhi.

Senior Brand Officer attended a Conference Trade Facilitation Agreement organized by FICCI in New Delhi on 21st July 2017.

AD (ES) attended the 4th meeting of Working Group organised by O/o Textile Committee, Mumbai on 9th October 2017 to formulate Standards and Technical Regulations on four identified textile products.

Chairman attended Meeting of the Egyptian Minister of Public Business Sector, H.E. Mr. Asharaf El Sharkawy and his Delegation with the Hon'ble Union Minister of Textiles on 23rd November 2017 in New Delhi. The Meeting was held to explore possibilities of bilateral co-operation and investment in textile sector

AD (ES) attended an Interactive Seminar organised by O/o Commissioner of Sahar Air Cargo Customs on 28th December, 2017

AD (ES) attended the 5th Meeting of Working Group on 22nd January, 2018 in the O/o Textiles Committee to formulate the Standards and Technical Regulation for Four Identified Textile Products

Executive Director attended the Conference "Textile Global and Indian perspective" in New Delhi on 22nd March 2018. The Event was supported by the Council.

EXPORT ASSISTANCE

The Textile Industry being the second-largest employment generating sector in India offers direct employment to over millions in the country. In the Indian MMF Textile industry the unorganized sector forms a dominant part which is labour intensive in nature. The various processes involved in MMF textile industry are Ginning, Spinning, Weaving/knitting, Processing, etc.

The MMF industry has been going through a lean phase in recent times. During the Financial year 2017-18, factors such as higher cost of manufacturing due to high input prices, stiff competition from China, South Korea, Indonesia and Thailand, sluggish international demand, surging imports, loss of production on account of demonetization and the recent GST Regime scaled down on the MMF Textile industry.

The Textile industry had been enjoying various tax exemptions, benefits and concessions under indirect taxes. Introduction of GST has made a considerable impact on the textile industry.

Challenges faced by the MMF Textile Industry

The interdependence of the organized and the unorganized sectors in the Textile Industry poses an additional challenge to the industry.

Many exporters who cross the threshold limit prefer to opt for composition scheme since compliance burden on a person opting composition scheme is relatively less than on a normal tax payer in the Textile Industry. There are also small weavers and other players who do not cross the threshold limit and thus remain as unregistered persons under GST regime.

Initially Man-made fibres and yarn were placed under the 18% tax slab while the fabrics were slotted under 5% GST slab, later the slab on synthetic yarns were reduced to 12%. This has not stopped the issue of inverted duty structure and accumulation of credit.

There is a provision of claiming refund of unutilized input tax credit in case of inverted duty structure. However, in case of specified woven fabrics and knitted fabrics, the refund of unutilized input tax credit was not allowed. This has resulted in accumulation of huge input tax credit and working capital blockages.

Higher levy of GST compel the Indian producers to source the yarn and fabrics at a cheaper rate from other producing countries like China, Indonesia, etc where the mill gate prices of MMF, synthetic fibres and yarns are lower than that in India.

Man-Made Fibres continues to be a second fiddle to cotton in India whereas man-made Fibres (MMF) dominates the world fibre consumption.

Conclusion

The introduction of GST has resulted in removal of concessions/ exemptions for the textile industry which saw outrages and protests by various associations and players in the textile industry. Considering the intent of GST and newly introduced operational procedure in the textile industry, it might take slightly longer time for the textile industry to tackle the preliminary hurdles of GST and grow at a competitive pace.

Though there are a few temporary disadvantages of GST on the textile industry, however it will help the sector in the long run. It will get many registered taxpayers under a well-maintained system. The new GST tax regime will help the textile industry expand itself in the domestic as well as international markets creating a sustainable and long-term growth opportunities.

Delegations from the Council have continued their campaign of meetings with representatives of central and state governments to put forward the industry viewpoint on the impact of GST on exports.

The Council's plea to the Ministry of Finance for increasing the custom duties on import of various MMF textile items in order to protect the domestic textile sector and promote local manufacturing as per the "Make in India" initiative of the country.

MID TERM REVIEW OF FOREIGN TRADE POLICY

The Council sent the Mid Term Review Proposals for its revision under the Foreign Trade Policy 2015-20. Based on the proposals, the Council had consultation with various Ministries and deliberated on issues constraining the MMF textiles Industry on the modification of certain portions of the Foreign Trade Policy (FTP) to align it with the Goods and Services Tax.

EXPORT ASSISTANCE

The Ministry of Commerce and Industry released the Mid-Term Review of the FTP 2015-20 on 5th December, 2017 with a focus to boost the exports of goods and services and to increase employment generation and value-addition in the country.

The highlights of the Mid Term Review of FTP included GST related reforms, Encouraging exports of MSMEs and Labour Incentive industries, Introduction of new trust based Self Ratification scheme, Launch of Contact@DGFT service by DGFT, Set up of National Trade Facilitation Committee to facilitate ease of trade across borders, 24/7 customs clearance facility extended to all bills of entry at 19 sea ports and 17 Air cargo complexes, Exploring new export markets and products etc.

UNION BUDGET PROPOSALS

The Budget Proposals were also sent to the Ministry for its inclusion in the Union Budget 2018. The Council had discussion with the Industry Stakeholders, Officials of the Finance Ministry, Commerce & Industry Ministry, Textile Ministry and other Associations for taking up the Council's Budget Proposal for its inclusion under the Union Budget 2018.

The Government announced major sops for the Textile industry in the Union Budget 2018-19 which are given here below -

- It is proposed to provide an outlay of Rs. 7148 crore for the textile sector in 2018-19.
- Major fund allocated under ATUFS has been increased to Rs. 2300 crores for 2018-19 from Rs. 2013 crores during 2017-18.
- Fund allocation under ROSL has been increased to Rs. 2164 crores from Rs. 1555 crores during 2017-18.
- Fund for Interest Equalization Scheme has been more than doubled to Rs. 2500 crores for 2018-19 from Rs. 1100 crores during 2017-18.

DUTY DRAWBACK RATES FOR 2017-18

Under the pre-GST regime, government used the duty drawback scheme to refund both excise and customs

duties paid on inputs used for exports. However, after GST was introduced, the government reduced the duty drawback rates and allowed them to be used only for customs duty refunds on inputs used. This was a major setback for our MMF Textile exporters since majority of the exporters were operating under this scheme. To represent our case strongly, the Council collected data from member-exporters pertaining to various products for fixation of suitable Duty Drawback rates and submitted a detailed proposal to the Drawback Committee for an increase in the Duty Drawback rates for Manmade Textiles. The Council made a presentation on the All Industry Rates of Duty Drawback under GST before the Drawback Committee which included Shri G.K. Pillai, Chairman of the Drawback Committee, Shri Gautam Ray, Member, Shri Y. G. Parande, Member along with Shri Dinesh Kumar Gupta, Director (DBK) on Friday 28th April, 2017 in Mumbai. Members of the Committee of Administration and Invitees attended the Meeting. The Council proposed for an upward revision in the rates for most of the MMF textile items. The Council's Chairman suggested the Drawback Committee to consider enhancement in the Drawback Rates for all MMF textile items under the GST regime since some of the State and Local level taxes are not subsumed in the GST. During the meeting, the Council also highlighted issues related to - refund of Duty Drawback on Basic Custom Duty (BCD) on inputs, refund of embedded duties such as Electricity Duty, Duties on Fuel, LBT etc., refund of duties not covered under GST, extension of Transition period from 3 months to 6 months, extension of deemed credit provision in terms of proviso of CGST Bill etc. The Council also represented issues of our members which included an anomaly in Nylon Filament Fabrics, Duty Drawback, ROSL, Recycling of Plastic Bottles into Yarn & Fabrics etc.

Operational / procedural issues addressed

The Council took up issues / problems faced by exporters at the operational / procedural level with various Govt. bodies like the DGFT & its Regional Offices, GST Council, CBIC, RBI, Customs, etc. with regards to GST refunds, Duty Drawback Claims, problems while applying for application on the GST Portal, Customs Clearances, etc.

EXPORT ASSISTANCE

Representations of the member- exporters taken up with the Government officials

The Council attended to the various queries from member-exporters on a number of issues such as GST refund issues, Drawback rates, Foreign Trade Policy, Customs related issues and necessary clarifications were given without delays. The Council also attended to complaints from exporters and overseas buyers on issues related to non-payment against export bills, quality problems etc.

Representations on the following major issues raised by exporters were taken up suitably with the concerned Departments in Ministry of Textiles, Ministry of Commerce & Industry and Ministry of Finance :

1. Refund of accumulated ITC due to inverted duty structure.
2. Simplification of GST filing and procedures.
3. Refund of IGST on import and domestic procurement of capital goods.
4. Issues relating to ICEGATE, PFMS, NACEN, etc.

GST TRAINING PROGRAMMES ORGANIZED BY SRTEPC

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) organized training programmes on Goods & Services Tax (GST) for its members on 13th June, 2017 and 12th January, 2018 at Indian Merchants' Chamber (IMC), Mumbai from 10:00 a.m. to 06:00p.m. Prominent speakers were invited to interact with our members at the Programmes. The purpose of the programmes was to elucidate member-exporters about the recent Amendments in GST. Presentations were also made on GST by the speakers. The GST Training Programmes were very informative, interesting and gave the opportunity to learn many issues with regard to GST.

ANTI-DUMPING ISSUES

DUMPING ISSUES

❖ **Expiry Review on Anti-Dumping Duty by Turkey against the import of Yarns made of Man made or synthetic or artificial fibres from India.**

A reply was sent to the Ministry of Textiles on the Expiry Review on Anti-Dumping Duty by Turkey against the import of Yarns made of Man-made or synthetic or

artificial fibres from India regarding re-imposition of the duties for the next 5 years. These duties were released by Turkey on April 17, 2018.

A note on the Expiry Review was sent to the Ministry requesting for its kind intervention in the matter and take it up at the diplomatic level if possible with the Turkish Government and also with the WTO.

PUBLICITY

With a view to keep abreast of the latest information and services of the Council and create greater awareness in the global market about the Indian man-made fibre textile industry and project a positive image of India as a suitable and competitive source of man-made fibre textiles in terms of quality and price to the overseas market, the Council carried out a publicity programme during 2017-18.

INFO SRTEPC

The Council brought out and circulated its monthly publication INFO SRTEPC regularly throughout the year. To further make the magazine attractive and to keep in tandem with its brand image and logo, the cover page and layout of the magazine was changed this year. Moreover, the magazine also introduced three sections viz. Glimpses from the Past, Stalwarts Speak and Success Stories this year besides carrying the latest information and data on different markets, trade notifications, market reports, statistics, FAQs, etc. The publication helped in keeping the members abreast of the latest developments in the international and domestic textile scene. The Chairman of the Council in his regular messages dealt with the various problems

being faced by the exporting community and remedial measures being undertaken by the Council to sort them.

Press Releases

The Council issued Press Releases on important happenings and occasions, highlighting the development in export trade, policy issues, export promotion activities of the Council, etc. These press releases received coverage in the newspapers and trade journals.

Advertisements

Advertisements were released in select journals and newspapers on the occasion of the Function, etc. organized by the Council.

SRTEPC Diary 2018

The Council printed SRTEPC Diary for the year 2018, the Diary contained information about the services offered by SRTEPC, important addresses of the Ministry and a Brief write-up on Man-made fibre textile industry.

EXHIBITIONS / FAIRS

Textile Delegation to Kazakhstan

A Textile Delegation, led by Dr. Subrata Gupta, Joint Secretary, Ministry of Textiles, visited Shymkent City, Kazakhstan from April 20 to 23, 2017 to participate in the 4th Meeting of the Joint Working Group on Textiles between India and Kazakhstan. The other members of the Delegation included Mr. Chockalingham, Chairman and Managing Director, Cotton Corporation of India (CCI), Shri Anil Kumar, the then Executive Director, The Synthetic & Rayon Textiles Export Promotion Council and Shri R. Gururaj, First Secretary, Embassy of India, Astana.

During the visit, members of the Delegation had meetings with Mr. Tuimbayev Zhaneit, Government, South Kazakhstan region. A Joint Working Group Meeting was held at the Ontustil Invest JSC office,

which was chaired by Mr. Baurzhan Saldaruli Dzhamalov, Deputy Governor of South Kazakhstan region. During the meeting, Mr. Yermek Sakishev, Chairman of Board Investment Fund of Kazakhstan made a detailed presentation about one of their local companies "Utex Kz JSC". He also invited interested Indian companies to consider this stressed asset for revival through purchase of stake in equity capital or a JV arrangement, or outright takeover, or any other form of partnership. The protocol was prepared by both the sides, which was signed by Mr. B. S. Dzhamalov, Deputy Akim from the Kazakh side, and Dr. Subrata Gupta from the Indian side.

49th Federal Trade Fair for Apparel & Textile "TEXTILLEGPROM", Moscow, Russia

SRTEPC successfully organized participation of its

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member-exporters in the 49th Federal Trade Fair for Apparel & Textile, which is also known as "TEXTILLEGROM" in Moscow during 29th August to 1st September 2017. Forty-five textile companies participated through the Council and displayed their latest range of textile products at an demarcated area named "India Pavilion". The India Pavilion was inaugurated by Mr. Rudrappa Manappa Lamani, Hon'ble Textiles Minister of Karnataka; Mr. Anant Kumar Singh, Secretary, Ministry of Textiles; H.E. Mr. Pankaj Saran, Ambassador, Republic of India in the Russian Federation; Mr. Alexander A. Kruglik, CEO of Yarmarka Ltd., Mr. Sri Narain Aggarwal, Chairman, SRTEPC; Mr. Anil Rajvanshi, Convenor and immediate Past Chairman, SRTEPC and Mr. Vivekanand Kodikal, Lt. Col (Retd), Regional Director (Trade Fairs), FICCI.

During the Fair, SRTEPC organized two separate B2B Meetings for the participating companies. Around 70 representatives of the exhibiting companies attended these Business Meetings.

The event received fair response from the Russian buyers, importers and importing agents. Around 300 Russian importers/buyers/agents visited the stalls and enabled the participants to establish business contacts, receive trade enquiries, etc. Participating companies could also meet and build cordial business relationship with the some Russian businessmen of Indian origin, importers and agents, who are presently importing from countries like China, Turkey, etc. The total estimated amount of business under negotiation is reported to be around US\$ 10 million.

61st edition of Cairo Fashion & Tex, Egypt

SRTEPC organized participation of 37 member-companies at the 61st edition of Cairo Fashion & Tex in Egypt from 13th to 16th September 2017. The participation was organized by the Council as the 'Lead Export Promotion Agency' with the support of Federation of Indian Export Organisations (FIEO) in association with the Embassy of India, Cairo under the Market Access Initiative (MAI) Scheme. The companies, which took part in the Fair, exhibited textile items from different sectors including MMF, cotton, silk and apparels. The participation was endorsed by the Egyptian Chamber of Textiles Industry.

Thirty-seven Indian participating companies were accommodated at a specially marked out area in the Fair with specially designed 'India Pavilion' to get focused attention of visiting buyers. This helped the participating Indian companies get a very good number of visiting customers to visit their respective

booths for discussing business.

A pre-Exhibition "Press Conference" was organized by the Council at the office of the Embassy of India in Cairo, which was presided over by the Ambassador of India: H. E. Shri Sanjay Bhattacharyya. Around 50 journalists representing - both print and electronic media, were present at the Press Conference.

Around 300 business visitors visited the "India Pavilion". Almost all exhibitors were able to establish useful trade contacts, and received firm trade enquiries. A large number of participating companies were successful in bagging even spot orders to the tune of Rs.6.82 crores, and the estimated value of business orders, which were under negotiations, amounted to Rs.27.23 crores.

Textiles India 2017

As part of its ambitious 'Brand India' initiatives, the Ministry of Textiles organized 'Textiles India 2017' with the objective of creating an event that will now be recognized as the leading exhibition of the Indian Textile & Apparel Industry in the International Textile fraternity. Keeping the need to showcase the entire Indian textiles value chain in mind, the debut Textiles India 2017 trade fair was organized from 30 June – 02 July 2017.

The event was organized at Mahatma Mandir in Gandhinagar. About 1,600 buyers from more than 100 countries coupled with 1,300 exhibitors and 2,000 delegates attended the show. A series of activities including Business Exhibition, Conferences & Round Tables, Panel discussions and live demonstrations were organized over the 3-day event.

Textile India 2017 was inaugurated by Hon'ble Prime Minister Shri Narendra Modi at a glittering ceremony on 30 June 2017. Leading dignitaries including Union Textiles Minister Smt Smriti Irani, Gujarat Governor Shri O P Kohli, Gujarat Chief Minister Shri Vijay Rupani, Andhra Pradesh Chief Minister, Shri Chandrababu Naidu, Textiles MoS Shri Ajay Tamta along with Textiles Secretary Shri Anant Kumar Singh were part at the inaugural ceremony.

Several Corporate Leaders including Mr. Kumar Mangalam Birla, Mr. B K Goenka, Mr. Richard Heald from UK India Business Council, Mr. Gautam Singhania, CMD of Raymond Group, Mr. David Cummings, President & CEO US Polo Assn, Mr. Sanjay Lalbhai, CMD of Arvind Ltd, and Mr. Kihak Sung, Chairman of Korea Federation of Textile Industries (KOFOTI) also were present at the Inaugural ceremony.

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Prime Minister Shri Narendra Modi highlighted how Indian textiles represent the rich “cultural diversity” of the country. Addressing the International Textiles Business Community attending Textiles India 2017, Prime Minister informed that based on the “Make-in-India” initiative, the organized textile industry is being infused with the mantras of ‘skill, scale, speed’ and ‘zero-defect, zero-effect’ for scaling up employment, production and exports and it has one of the most liberal investment policies for foreign investment in the textile and apparel sector. India also allows 100 percent FDI through automatic route in textile and apparel sector. Hon’ble Prime Minister also said that India today is described as - a “bright spot” in the global economy and that it has become an attractive investment destination. The PM called for more innovation and research in the textile sector, and a plan that would boost “export textiles”, and called for focus on organic products.

A Fashion Show titled “Symphony of Weaves” was held, wherein 31 Indian Fashion Designers put up a spectacular show on Indian textiles on the inauguration of Textiles India 2017.

Ministry of Textiles facilitated signing of 65 Memorandums of Understanding (MoUs) between India and leading global Textiles bodies for boosting global partnerships with Indian textile sector.

The MoUs were signed between various domestic and international organizations from the industry and the government in the presence of Hon’ble Union Textiles Minister, Smt. Smriti Zubin Irani and Hon’ble Minister of State for Textiles, Shri Ajay Tamta. Other luminaries included Textiles Secretary, Shri Anant Kumar Singh, Additional Secretary, Ministry of Textiles, Smt. Pushpa Subrahmanyam and Textile Commissioner, Dr. Kavita Gupta.

The signatories to the MoUs included organizations from countries like China, Australia, Bangladesh, Sri Lanka, Japan, Malaysia, Czech Republic and Poland, among others.

SRTEPC signed 6 MoU’s with Business Chambers such as Kabul Chamber of Commerce & Industry (Afghanistan), Malaysian Textile Manufacturers Association (Malaysia), Indo Polish Chamber of Commerce & Industry (Poland), Indian Chamber of Commerce & Culture in the Slovak Republic (Slovakia), Sri Lankan Apparel Sourcing Association & Sri Lankan Apparel Brands Association (Sri Lanka) during the event. SRTEPC also facilitated signing of the seventh MoU between Sangam (India), member of SRTEPC and

Sharda Europe SP based in Poland.

SRTEPC took lead by organizing a series of Round Tables, Seminars and Discussions along with the Ministry of Textiles during the 3-day event.

SRTEPC took initiative and co-ordinated in organizing the Mahanivesh Maharashtra Seminar on 30th June 2017 which focused on Investment promotion for the state of Maharashtra. Prospective investors from India and abroad were addressed by Shri Subhash Deshmukh, Hon’ble Minister of Textiles, Government of Maharashtra and Shri Arjun Khotkar, Hon’ble Minister of State, Government of Maharashtra. Shri Ujjawal Uke, Principal Secretary – Textiles, Government of Maharashtra also made a presentation on Maharashtra Textiles Policy and current business scenario. Shri Sanjay Meena, Director – Textiles, Government of Maharashtra spoke on “Ease of Doing Business” in Maharashtra.

SRTEPC was the nodal agency responsible for organizing 2 Round Table Conferences (RTCs) namely Waterless Textile Processing and 3D Printing and Zero Liquid Discharge on 1st July 2017. Ms. Aditi Das Rout, Trade Advisor, Ministry of Textiles initiated the RTCs by introducing each one of the speakers who attended the Conference. Nine prominent speakers from India and abroad attended the round tables as special guests of the event and Council facilitated for their presence. The sessions held under RTCs had vibrant interactions, which were promptly clarified by the speakers at the utmost satisfaction of the participants.

SRTEPC jointly with ASFI assisted Textile Ministry in organizing a Seminar on ‘Potential for Growth in MMF in India’ for which Council invited two eminent Indian Speakers and one International Speaker from TMT Machinery Japan. The Seminar was well appreciated by HMOT and all other dignitaries present during the session for its content and active participation. The Sessions were also addressed by Shri Ananth Kumar, Union Minister for Chemical & Fertilizers who extended wholehearted support for the growth of Textiles especially MMF textiles and invited the Synthetic Textiles to take advantage of his Ministry.

SRTEPC had one of the largest displays of Man-made Fibre, Yarn, Fabrics, Made-ups and Home Textiles at Textiles India 2017. 103 leading member-companies of Council exhibited their products in the SRTEPC Pavilion covering an area of 2037 sqm in Hall 7.

In terms of the Foreign Buyers Council’s aggressive marketing effort bore fruits as Nominations were received from nearly 275 companies from 44

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countries. 186 foreign buyers representing 39 countries graced the event as Council's esteemed visitors.

Council proactively organized Road Shows in Malaysia, Bangladesh, Vietnam, Turkey and Colombia wherein its Chairman, Convener and Vice Chairman organized presentations to leading members of the various Trade Associations in these countries by aggressively promoting Textiles India as an important destination for all stakeholders in this growing industry.

SRTEPC arranged B2B Meeting schedules between International Buyers and its exhibitors, which was communicated to them in advance through an extensive matchmaking exercise, so that they spend productive time with the exhibitors.

Amount of Business transacted was nearly USD 10.7 million, and value of Enquiry generated was around USD 37.8 million

Mega Event – “Textiles in Karnataka”

The Ministry of Textiles, Government of India organized a mega event titled “Textiles in Karnataka” during which the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani launched the milestone “Study to promote growth of man-made fibre textiles in India – a roadmap to

identify gaps and suggest measures”, besides the Buyers Sellers Meet-cum-Facilitation Camp on textiles, and launch of online portal & mobile app for PowerTex India on 11th March 2018 at Hotel Lalit Ashok in Bengaluru.

During this Mega Event of Textiles in Bengaluru, the “Garment capital of India”, while launching the study on MMF textiles, Smt. Smriti Irani, Hon'ble Union Minister of Textiles along with other two Union Ministers Shri Sadanand Gowda, Hon'ble Union Minister of Statistics and Programme Implementation and Shri Ananth Kumar, Hon'ble Union Minister of Parliamentary Affairs and Chemicals & Fertilizers released the document for seeking “Expression of Interest” (Eoi) in the presence of Dr. Kavita Gupta, Textile Commissioner; Shri Sri Narain Aggarwal, Chairman and Shri Ronak Rughani, Vice Chairman, SRTEPC and other dignitaries. Smt. Smriti Zubin Irani during the Launching Ceremony of the Study praised SRTEPC for its pioneering work and described it as one of the leading Export Promotion Councils of India. On the sidelines of the mega event, a grand Show of Textiles & Clothing was also organized by various Export Promotion Councils and leading corporate. SRTEPC organized a grand Show by exhibiting a fabulous display of exclusive range of MMF textile products, which grabbed the attention of the visiting Hon'ble Union Ministers, MPs and other dignitaries.

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Taiwanese Delegation visits SRTEPC

A Taiwanese Delegation led by Ms. Minerva Liao of Taiwan Textile Federation and representatives from some of the leading Taiwanese textile manufacturers visited the Council's head office in Mumbai on 11th April 2017 and had an interactive Meeting with some of the Council's member companies. The objective of the Interactive Meeting was to exchange and understand the textile industry of both the countries, the types of textile products manufactured and sourced for clothing and other technical purposes, market analysis and trends and explore possibilities of mutual business and investment opportunities with the Taiwanese companies. The members of the Taiwanese Delegation and the representatives of the member companies of the Council had discussion for

development of bilateral textile trade.

Seminar & Interactive Session on “GST & its Implications on exports

AD (ES) attended the Seminar on GST on 12th May, 2017 at, Indian Merchants Chamber (IMC), Churchgate, Mumbai. The Seminar was organized by CAPEXIL in association with Senior Officials of Service Tax, Mumbai to apprise the member exporters of various aspects of the matter for better preparation. The topics covered were a) Introduction on GST, b) Benefits and salient features of GST, c) IGST Mechanism, d) Registration and Returns and e) Role of technology.

Seminar on Indo US Partnership in Textiles and implication of GST

JD (MR) and AD (ES) attended the Seminar on “Indo US

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partnership in Textiles & Implications of GST" on 18th May, 2017 in Mumbai. The Seminar was organized by Indo American Chamber of Commerce (IACC), Textile Forum along with Textile Association of India (TAI). The Seminar aimed to address key challenges & opportunities in doing business and create a platform by inviting stakeholders to deliberate on opportunities and challenges in enhancing bilateral trade between India and the US in Textiles and discuss on implementation of planned decisions while making transition from the taxation system to GST and provide insights and its implications in managing input tax credit. The programme was addressed by eminent industrialist from textiles & policy makers, Mr. Suresh Kotak, Chairman, IACC Textile Forum; Dr. Kavita Gupta, IAS, Commissioner Textiles, Govt. of India; Mr. Gregory Taevs, Commercial Consul, US Consulate Mumbai; Mr. Ajit B Chavan, Secretary, Textile Committee, Ministry of Textiles, Govt. of India and Mr. Arvind Sinha, President, Textiles Association of India. Some of the other panelists were, Mr. R D Udeshi, President, Polyester, Reliance Industries Ltd; Mr. Sanjeev Saran, Former Chairman, The Synthetic & Rayon Textiles Export Promotion Council; Mr. Arvind Bhansali, VP, Indirect Tax, Reliance Industries Ltd and Ms. Neha Marwaha, Asst. VP, ICRA Ltd. The session was followed by Presentation from Mr Arvind Bhansali, Sr. Executive VP- Indirect Taxation & GST at Reliance Industries Ltd. on Overview about GST and Its Implication on Textile Industry (Challenges and Opportunities). The next presentation was made by Ms Nidhi Marwaha, Asst. Vice President, ICRA Limited on Textiles – Way Forward. The meeting concluded with vote of thanks by the Chair.

SRTEPC Road Show and Presentation at Bhilwara

SRTEPC organized a Road Show cum Presentation for the Textile Trade Members at Mewar Chamber of Commerce and Industry, Bhilwara on 30th May 2017. Around 50 members of MCCI attended the Road Show. Further as part of its Membership Expansion Drive, the Council in association with MCCI (Mewar Chamber of Commerce & Industry) arranged an Interactive Session followed by two presentations for the members of MCCI in their premises. Shri R. K. Jain, Honorary Secretary General, MCCI; Shri J. K. Bagrodia, Sr. Vice President, MCCI; Shri Ronak Rughani, Vice Chairman, SRTEPC; Shri Sanjeev Saran, Former Chairman, SRTEPC and Shri Pankaj Tibrewal, Convenor, Membership Committee of member of the Committee of Administration of SRTEPC were present at the occasion.

GST Training Programme by SRTEPC

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) organized a training programme on Goods & Services Tax (GST) for its members on 13th June, 2017 at Indian Merchants' Chamber (IMC), Mumbai from 10:00 a.m. to 06:00p.m. The purpose of this training programme was to impart knowledge and enhance the understanding of the member- exporters related to GST. The GST programme had overwhelming response with around 80 participants attending the Session.

SRTEPC invited two prominent speakers to speak at the training programme, Shri Suyog Nawal, an indirect tax professional head at ZMHS & Associates, Chartered Accountants which is based at Mumbai and Shri Deepak Thakkar, a Direct & Indirect Tax Expert from PHD & Associates, Chartered Accountants, Mumbai.

Topics covered on the need for GST (whose primary purpose is to simplify India's tax structure), the components of a tax structure and the proposed working of GST. He spoke in great detail about the Overview of GST, GSTN Portal, Registration, Invoicing, Returns and Refunds. The second technical session included the GST Act and the Draft Rules & Rates of GST. Also discussed the various sections related to (a) Overview of GST- Supply with consideration or without consideration, (b) Composite supply, (c) Mixed supply, (d) Time of supply, (e) Place of supply, (f) Value of supply, (g) Interstate & Intrastate Supply, (h) E- Way Bill, (i) Sale in transit transaction, (j) Input Tax Credit, (k) Interest & Penalties, (l) Accounts, Audits & Entry and (m) Profiteering measures.

Both the sessions of GST training program were well appreciated and acknowledged by the participating Exporter Members.

ASEAN-India Business and Investment Meet & Expo

Council participated in the ASEAN-India Business and Investment Meet & Expo organized by the Confederation of Indian Industry on 22nd & 23rd January in New Delhi. The event was organized to promote mutual trade and investment for shared prosperity. Council was also a participant at the India ASEAN Relations organized by the Federation of Indian Chambers of Commerce & Industry (FICCI) held in New Delhi on 23 & 24 January 2018.

Workshop on GST

The Council had conducted a Workshop on Goods & Services Tax (GST) for its members on 12th January, 2018 at Indian Merchants' Chamber (IMC), Mumbai.

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The purpose of the workshop was to elucidate member-exporters about these rules. SRTEPC invited three prominent speakers to speak at the training programme. The Executive Director of SRTEPC welcomed Shri Dilip Phadke, Chartered Accountant experience in the field of GST, Sales Tax, MVAT, Income Tax and Project Finance & Audits, Shri A. Ravindra Kumar, Joint Director from Texprocil and Shri Suyog Nawal, an indirect tax professional head at ZMHS & Associates, Chartered Accountants. Many participants interacted with the speakers and found replies to their queries related to GST.

Inauguration of SRTEPC's Regional Office in Coimbatore and Seminar on 'Emerging Scope for MMF fibre textiles – Growth & Future Sustainability'

SRTEPC opened its Regional Office in the premises of SIMA (The Southern India Mills Association) in Coimbatore on 16th March 2018. The Regional Office was opened in the presence of Dr. Kavita Gupta, IAS, Textile Commissioner who was the Chief Guest for the inauguration ceremony with the objective of increasing Council's footprints across the Southern States of India.

The opening of the office was preceded by a Seminar organized by the Council on 'Emerging Scope for Man-made Fibre Textiles – Growth & Future Sustainability'. The Seminar was attended by Dr. K. Selvaraju, Secretary

General SIMA; Shri P. Nataraj, SIMA Chairman; Shri Senthilkuarm, SIMA Past Chairman; Shri Sri Narain Aggarwal, Chairman, SRTEPC; Shri Ronak Rughani, Vice Chairman, SRTEPC; Shri Anil Rajvanshi, Convenor and immediate past Chairman, SRTEPC; past Chairmen – Shri Sanjeev Saran, Shri Rakesh Mehra; Shri S. Balaraju, Executive Director, SRTEPC; members of the Committee of Administration Shri Pankaj Tibrewal, Shri Subhash Chand Goyal, Shri Rajesh Kumar Modi, Shri Sailesh Goenka; invitees to the CoA. Shri Aziz Valiulla and Shri A. N. Desai (ex Director BITRA) and all the participants of the Seminar. Shri V. Jaigopal, MD, Madura Coats Pvt. Ltd. and Shri D. Jayaraman, Asst. Director at SITRA (The South India Textile Research Association), deputizing for Dr. Prakash Vasudevan, Director, SITRA made presentations on "Emerging Potential & Trends in MMF textiles" and "Perspective of the increasing significance of Man-made Fibre Textiles" respectively.

Dr. Kavita Gupta, IAS Textile Commissioner and Chief Guest at the opening and Seminar addressed a sizeable section of press and media who had assembled in anticipation to record her insights and views.

Later Dr. Kavita Gupta, in the presence of the officials of SRTEPC and SIMA and the media persons inaugurated SRTEPC's Regional Office by cutting the ribbon.

SRTEPC TRADE CENTRE

SRTEPC maintains a TRADE CENTRE at its Head Office in Mumbai, which was instituted in 1979, the Silver Jubilee year of SRTEPC, to serve as a "one-stop-sourcing-point" for busy and discerning international buyers. At the TRADE CENTRE, the latest range of trade samples of leading Indian exporters are on permanent display. The display of samples and detailed information on Indian exporters available at the Centre help overseas buyers select right items, and conduct business negotiations with appropriate Indian suppliers.

Besides servicing overseas buyers, SRTEPC TRADE CENTRE provides professional services to its member-companies in planning their export-activities; and to

overseas buyers in sourcing their requirements from India. It has, over a period of time, developed a database of importers in different countries, and it serves as a "link between exporters and importers". The Council also provides buyers' information and their products to its member-exporters to establish their business abroad.

All the above services and much more given by the SRTEPC TRADE CENTRE go a long way in helping Indian exporters to sharpen their competitive edge in the fast changing international markets.

The conveniences offered by the SRTEPC TRADE CENTRE help both exporters and buyers in clinching new deals, and renewing existing ones. Several such TRADE

SRTEPC TRADE CENTRE

CENTRES have emerged in the last few decades, yet one cannot forget that SRTEPC was the first Export Promotion Organization to introduce this concept. What's more, it had the courage of conviction to follow the idea through to its completion.

Overseas Visitors

International buyers, who visited the SRTEPC TRADE CENTRE during 2017-18, were given all the necessary information and prompt assistance in identifying right Indian suppliers. The TRADE CENTRE also arranged

some Buyer Seller Meets between the visiting buyers and appropriate Indian exporters to enable them meet personally and establish long term trade contacts.

Foreign Trade Enquiries

SRTEPC has over the years established itself as a dependable Apex Organization, which links overseas buyers with Indian exporters. As a result overseas buyers are in touch with the Council to identify appropriate Indian suppliers. Seven importers/agents from 7 countries contacted the Council with specific enquiries during the year.

MARKETING ACCESS INITIATIVE (MAI)

Export Promotion is of prime importance in the developmental activities of the Government and to the growth of national economy. In order to promote exports, explore new markets and promote export oriented activities for commodities and services, the Government is providing Market Access Initiative (MAI) to exporters. The Council, as the designated body plays a crucial role for implementation of the MAI Scheme. The Scheme envisages to cover the scope of both the erstwhile Market Access Initiative Scheme and Marketing Development Assistance Scheme.

The Council provides assistance and guidance to the member-exporters in the procedures as per the Guidelines laid down by the Ministry of Commerce & Industry for availing the MAI facility. The Applications and Claims of exporters received by the Council during Exhibitions/Fairs organized abroad were promptly scrutinised and processed. The Council makes efforts

to obtain the funds required for disbursements from the Ministry. The monthly statements of approved claims endorsed by the Chartered Accountant were duly sent to the Ministry for their reference.

Members were also informed about amendments and modifications introduced by the Ministry of Commerce and Industry in the MAI Scheme through special circulars, Council's INFO SRTEPC and website. Many exporters have improved their exports by participating in the Exhibitions/Fairs organized by the Council and are keen to meet the importers on a one-to-one basis during the programmes organized under this Scheme.

The Council extended benefit under MAI to 34 member-exporters during the period 2017-18 to the tune of Rs.15,35,101/-

RESEARCH

The Council provides up-to-date information to its member-exporters on various relevant and vital issues pertaining to Man-made fibre & blended textiles like exports, imports, potential markets/products, duty structure, trade policy, etc. through exhaustive Market Research. Taking into consideration the dynamic global market scenario, growing economic uncertainties and challenges in export fronts, the Council had carried out/ conducted certain research activities during 2017-18; some of which are given as follows:

Exclusive Data Compilation

The Council maintained a rich statistical database comprising information on trade statistics of MMF textiles like exports, imports, production, share, etc. The basis of these databases was primarily the statistics received from Directorate General of Commercial Intelligence & Statistics (DGCI&S), Ministry of Textiles, Office of the Textile Commissioner and Ministry of Commerce. The Council had compiled exhaustive statistical data from various other sources also like Monthly/Quarterly Returns received from member-exporters, Customs data from major Ports, Reports from the Indian Missions abroad and International textile periodicals, Statistical Handbooks of various trade associations and websites of leading Textile News Portals etc. The Council had also prepared and disseminated up-to-date information to its member exporters on various International Trade issues compiling information from UN COMTRADE data, WTO Trade data, Statistics from International Trade Centre (UNCTAD/WTO), etc.

The Council prepared periodic export reviews, market studies, product reports, etc., by using these statistical data. Reports were also compiled on Non Tariff Barriers, Trade Agreements, etc. The reports were sent to different officials in the Ministry of Textiles, Ministry of Commerce, Office of the Textile Commissioner, Export Commissioner, DGFT and members of the Council for information, monitoring, and strategic planning.

Market Research

It is one of the core activities of the Council since its inception. Since, markets across the globe have become increasingly uncertain and competitive; market research has become inevitable to be successful in trade especially in exports. The Council provided its member companies and also to the Ministry of Textiles and Commerce a systematic, purposive and analytical data about a particular markets, products, etc. through exhaustive research activity. Council had conducted extensive desk

research and collected certain data through primary research in order to keep its member companies most updated with the market dynamics and volatile industry situations all over the globe.

Market trends

A thorough understanding of a market is vital to an export sector like the textiles. And it is more important when the global market scenario is uncertain and evolving. Also, understanding and estimating the market size is a difficult task if companies are starting with something completely new. In such cases, they have to derive the figures of the number of potential customers, customers' tastes, customer segments, etc. The Council worked on such issues and facilitated those information to the existing members as and when required.

Monitoring Export Performance

To identify key performance indicators (KPIs) for monitoring performance of Man-made fibre textiles exports by the Indian exporters, the Council scrutinized the main activities as follows, considering how best to measure them :

- Measures relating to export performance and business development;
- Countries, items, country specific policies, and other factors giving competition to the Indian products and hampering our exports;
- Views of the member-companies about the market, items, country specific policies, provision, etc. on exports and imports;
- Views of different Trade/Commerce agencies/bodies regarding relevant and contemporary issues,
- Establish target performance levels for all the chosen KPIs using as guides information gained from benchmarking exercises, past performance or experience, etc.

Export Statistics

Monthly export statistics on Man-made fibre and blended textiles were compiled from data received from various sources like MOC, DGCI&S (Provisional and Final), etc. and analysis of these data on different objectives/issues were sent to the Government, member-exporters, and others concerned. The statistical data were regularly published in Council's monthly publication, hosted in its website for the benefit of its members. The data were also used in preparation of press releases, articles, and special proposals for

submission to different authorities.

Study

The Council has also finalized a Study "To Promote Growth of Manmade fibre Textiles in India – Roadmap to Identify Gaps and Suggest Measures". This Study has been approved by Smt. Smriti Zubin Irani, Hon'ble Textile Minister, and it will be a Benchmark Study in the history of the Manmade fibre segment in India. The objective of the study is to prepare a long-term roadmap for next 10 years for MMF textiles in India in line with global trends aimed at:

- Enhancing production
- Enhancing consumption
- Bringing innovations to cater to consumer requirements
- Increase investments in the MMF sector to achieve the Textile Vision of US\$ 350 billion, for which value of MMF needs to be at least doubled in next 5 years
- Improve the competitiveness of Indian MMF textiles both in domestic and export markets

Country Report/Alert

Researching on various markets all over the globe was an integral part for the Council's Export Promotional Strategy. More than just compiling data and statistics; all data collected were analysed and transformed into relevant information/report that provided practical guidelines for member-exporters to enter and expand in various markets both new and emerging. Some of the important Market Reports which were prepared and published in Council's monthly publication - INFO SRTEPC during 2017-18 are as follows:

- Russia
- Egypt

Important Articles

During 2017-18, the Market Research Department of the Council had also prepared and published articles on various significant issues some of which are given as follows:

- The US Market shows signs of turnaround in its demand for Man-Made Textile products.
- Index of Industrial Production (IIP)
- Report on Meeting of the High Level Drawback Committee with SRTEPC Members for seeking suggestions on the All Industry Rates of Duty Drawback under GST.
- Advisory: Step by Step guide for filing form GST Tran 2

form.

- Level of financial stress in the Man-made fibre textile segment
- The Trans-Pacific Partnership (TPP) Agreement
- Review of India's MMF textiles exports

During the year 2017-18, the Council had made important representations to the Ministry of Textiles, Ministry of Commerce & Industry, Ministry of Finance, Government of India on the following issues:

- ❖ The challenges being faced by the Man-made textile industry under GST regime which have created an inverted duty structure and blocked substantial amount of working capital.
- ❖ Inclusion of Fibres and Yarns in the Rebate on State Levies (ROSL) Scheme.
- ❖ Increase of Effective Duties on import of fabrics to give a level playing field to the domestic manufacturers.
- ❖ Memorandum on issues such as increase of Effective Duties on all the tariff lines of knitted fabrics, reduction of GST from 18 to 12% on yarns and fibres, refund of IGST on capital goods, increase rewards rates under MEIS, Merchant exporters to be considered for Interest Equalisation Scheme, upward revision of DBK rates, stimulus package for textile segment, additional Moratorium period of one year, etc.
- ❖ Pre-Budget Proposals for 2018-19.
- ❖ Suggestions of the Council for the Mid Term Review of FTP 2015-20.

During the year 2017-18, the Council had prepared various notes/comments in connection with bilateral/multilateral negotiations/meetings, FTAs, RCEP, etc. and the same were sent to the Ministry of Textiles, Ministry of Commerce, and office of the Textile Commissioner, etc. The selected few of the important notes/comments were related to the following:

- ❖ In connection with the visit of a delegation led by Commerce Secretary to Colombia and Ecuador, the Council has sent information on relevant points pertaining to India's exports of MMF textiles to Colombia and Ecuador and relevant issues and Suggestion for greater textile operation for discussion.
- ❖ Inputs of the Council regarding Department related Parliamentary Standing Committee on Commerce – examination of Demands for Grants (2017-18) of the Department of Commerce (MOC).

RESEARCH

- ❖ The Council's Comments on RCEP Textiles lines for final consideration.
- ❖ Inputs of the Council regarding USA TPA.
- ❖ Inputs of the Council for Interministerial meeting to discuss the agenda for the 15th India-Australia JMC meeting.
- ❖ Suggestions and inputs for India-EU Sub Commission on Trade-reg.
- ❖ Inputs for joint Committee Meeting at Secretary/Vice-Minister level under India-Japan CEPA.
- ❖ Council has identified 26 important tariff lines of fabrics at 8 digit level and requested to the Ministry of revising Indirect Tax on these lines upwards. Council has given justifications and export import data on the tariff lines.
- ❖ In connection with the impact of WTO regulations on India's Textile Export, the Council requested to the Ministry the subsidiary measures should be continued for manmade fibre (MMF) and blended textiles sector till this sector achieves the WTO threshold limit.
- ❖ In connection with Proposed India-Mauritius CECPA Inputs of the Council were sent to the Ministry. The Council has also suggested that immediate liberation (zero duty) on import of made up items from India.
- ❖ Relevant inputs of the Council for expansion of India-MERCOSUR PTA-Exchange of Initial Offers.
- ❖ Representation has been sent to the Ministry in regards of various problems to maintain the growth in both domestic consumption as well as exports
- ❖ The Council highlighted key issues being faced by the Man-made textile industry relating to cheap imports of fabrics. Also requested to impose of specific duty Rs. 100 per kg on fabric falling under chapter 60 along with increase of the BCD on imported fabrics from 10% to 25%.
- ❖ Detailed information in the desired format given by MOT on production, export and import pertaining to MMF textile segment that fall under the Council were sent to the Ministry.
- ❖ Inputs for regarding kind intervention to resolve Anti-dumping duties imposed by Peru on "Fabrics made out of Polyester Staple Fibre and Viscose Staple Fibre" on Indian origin.
- ❖ Suggestions of the Council as per the feedback received from the members exporters were prepared and sent to the Ministry for strategic plans for boosting exports of MMF textiles.
- ❖ Inputs on Electricity Duty, Banking charges and Stamp Duty in connection with calculation of Duty Drawback rates on the Man-made fibre textile items.
- ❖ Inputs for meeting of HMOT and Egyptian Minister of Public Business Sector.
- ❖ Prepared Pre-Budget Proposals pertaining to MMF textiles segment and sent to the Ministry.
- ❖ Proposal for Study on Challenges of Man-made Fibre Textile value chain – a strategic approach for exports.
- ❖ The Council appealed to the Ministry to increase effective rate of duty on import of fibres and yarns into India.
- ❖ Views and inputs of the Council for 4th Joint Sub-Commission on Trade India Vietnam Cooperation in Textile Sector – reg
- ❖ Memorandum on issues of manmade fibre textile sector under the GST regime.
- ❖ The Council sent an appealed to the Ministry for Provisional Anti-Dumping Duty on import of Nylon Filament Yarn from Vietnam and Europe.
- ❖ Inputs of the Council for India-Israel FTA negotiations-regarding
- ❖ Highlighted key issues and difficulties being faced by the exporters were sent to the Ministry.
- ❖ Views and inputs of the Council as per the feedback received from the members exporters were prepared and sent to the Ministry for Stakeholder meeting for RCEP.
- ❖ Detailed inputs regarding VIP reference of Hon'ble Minister of Textiles – various suggestions made by Textile Industry Association to promote Textile Export - reg
- ❖ Inputs for India-Canada Comprehensive Economic Partnership Agreement (CEPA).
- ❖ Simplification and rationalisation of export documentation for reducing transaction time and cost.
- ❖ Inputs of the Council for India-EAEU Trade Agreement on Goods.

Parliament Question

Replies to the Parliament Questions (Questions asked in

Lok Sabha & Rajya Sabha) were prepared and forwarded to the Government for necessary action. The selected few of the important replies to questions were related to the following:

Provisionally admitted Question for Rajya Sabha Starred /Unstarred Diary No.— S3275 for 28/07/2017 titled "Negative effect of GST on textile sector".

Reply of the Council as follows:

a) Lack of clarity of new GST rules stalling exports.

Three weeks after implementation of the Goods and Services Tax (GST) regime, exporters are still struggling to get their consignments shipped as customs officials are yet not clear on how to interpret the new rules.

b) Continued discrimination to the Manmade fibre textile sector

Manmade fibre (MMF) textile sector has been historically discriminated in India and this is the main reason of stagnation of this sector in India despite having sufficient production of all the varieties of manmade fibres and second leading producing country in the world. There has been fiscal divide between MMF and cotton due to which globally consumption of manmade fibres is over 70% whereas in India it's around 30% only. Pre GST scenario there was 12% excise duty and now 18% GST on all filament yarns and fibres. High duties have been discouraging investment in this sector as India MMF textile products face stiff competition both in local and overseas markets. In order to pick up the global pace in textiles production and trade there should be fibre neutrality and all fibres should be treated equally. MMF Textile Industry is of the view that lack of uniformity in the GST rates for the textile sector has adversely affected the growth sentiments and has dragged exports and growth negatively affecting employment generation. The issue of not allowing refund of accumulated credit for Textiles sector has affected the entire weaving, processing, embroidery and job works segments also, which is the weakest link in the entire textile value chain. The high rate of GST on raw materials at 18 %, and that of Fabrics at 5%, so while sales, one has to forgo the accumulated credit, which is a huge loss and shall indirectly add to the cost of product being sold. This will result MMF fabrics becoming uncompetitive, and further affecting domestic fabrics production, which is already reeling under the huge import from Competitors like China etc. Due to this high GST on all filament

yarns and fibres and 5% on fabrics there has been agitation and strike in various parts of the country which is expected to have caused a potential loss of Rs 6,000 crores. The industry demands for removal of a 5% GST on fabric or at least an 18-month moratorium on GST and reduction in filament yarn and fibre to 12% GST from 18%. During the Pre-GST, there was no tax on job work as it was considered a "subsequent process" in the manufacture of textile products and not a service. But Post-GST, the garment and apparel prices have increased with 'job work' inviting 18% GST. This has further added to the final cost of textile items.

Provisionally Admitted Question For the Rajya Sabha Starred/Unstarred Diary No. U1799 for 12/03/2018.

Reply of the Council as follows:

(a) Whether India can become a one stop sourcing hub for ASEAN;

Answer: Yes, India can become a one stop sourcing hub for ASEAN.

(b) Whether it is also a fact that India has potential to become one of the source destinations for brands and retailers from ASEAN, as opportunities exist for textile manufacturers from the 10 nation block to invest here and cater to the domestic market as well as exports;

Answer: Yes, it is a fact that India has the potential to become one of the source destinations for brands and retailers from ASEAN. Majority of the ASEAN countries don't have production base of manmade fibre and depend on imports. India is strategically located to reach out to the entire 10 nation ASEAN block as some countries of ASEAN block such as Myanmar is our neighbour.

Yes, India itself is a vast market. Therefore, there are opportunities for textile manufacturers from the 10 nation block to invest in India for catering to the domestic market as well as exports.

(c) Whether India has strength in production and exports of almost all kinds of textiles and apparel including handloom and handicraft products that demonstrate the unique skills of the country's weavers and artisans;

Answer: Currently, India is manufacturing most of the major manmade fibres such as polyester, viscose, acrylic, polypropylene, etc. and filament yarns such as polyester, viscose, nylon, polypropylene, etc. India is also producing international standard MMF and blended fabrics and exporting substantially to developed countries such as USA, EU, Singapore, Hong Kong, etc. Emerging garmenting hubs such as

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Bangladesh, Vietnam, etc have been increasingly importing considerable volume of Manmade fibre and blended fabrics from India every year.

(d) If so, the steps taken by the Government to explore it?

Answer: This Council organises Fairs/Exhibitions in various overseas markets including ASEAN every year based on the market potential and economic feasibility.

Lok Sabha Question Dy. No.14582 for 06.04.2017 on Competition with China.

Reply of the Council as follows:

(a) Whether it is a fact that the textile and apparel industry is facing a stiff competition from China and if so, the details thereof;

Answer: This is a fact that China is giving stiff competition to India's Textiles and Apparel industry in international markets. China is giving direct and indirect subsidies to manufacturers through its policies. Some of these subsidies are in the form of free/concessional land, long term loans on highly subsidised interest rates, ROSL (now introduced in India for RMG and Made-up), freight subsidies and export incentives, etc. The sum total of these subsidies makes up to 20%-25% which makes their products competitive in international markets while Govt of India is phasing out the export incentives. US Department of Commerce has listed over 100 actionable subsidies on their website. Although, China's labour cost is rising but it gets mitigated owing to export and manufacturing subsidies. This results in Chinese products becoming more competitive as compared to India.

(b) Whether Government have finalised any action plan to remove bottlenecks in the textile industry with a view to compete with the Chinese industry; and

Answer: Govt of India has recently introduced a package for Apparel and Made-Ups exports giving those refunds of State levies (ROSL). Govt of India is also insisting on one rate of GST for entire textile value chain to remove tax/duty anomalies which is making Indian textiles more expensive. Due to this anomaly the per-capita consumption of manmade fibres in India remains at 3.5Kg whereas the world average per capita consumption has gone up to 12 kg. It is hoped that GST will remove the biggest bottleneck of textile industry and shall boost growth of textiles in India leading to higher consumption and exports. Various other schemes for handloom and handicrafts have also been announced. Govt has simplified the export procedures for seamless exports and talking initiatives

to cut cost of exports.

(c) If so, the details thereof and time by which the textile industry likely to be in position to achieve the desired results?

Answer: As informed earlier, Govt has announced the packages for Apparel and Made-ups and shall soon be announcing a package for power-loom sector. The National Textile Policy is going to be unveiled shortly that will remove most of bottlenecks being faced by domestic textile industry. It is expected that in next 5 - 7 years, India's exports will be at least five times from the present US \$38 billion to US\$ 200 billion.

Lok Sabha Unstarred Question Diary No. 619 for 19/07/2018.

Reply of the Council as follows:

(a) Whether export in textile sector has decreased from US\$ 48 billion last year to US\$ 45 billion this year;

Answer: Exports of Indian Man-made fibre and blended textiles have witnessed positive growth during this year (2017-18) as compared to the previous year. Exports of Indian MMF textiles during 2017-18 were US\$ 6023.98 mn. in value terms against US\$ 5853.49 mn., witnessing a growth of 2.91% as compared to the previous year.

(b) the extent to which increase in labour cost and competition from neighbouring countries like China, Bangladesh and Sri Lanka has affected India's export in textile sector;

Answer: As far as MMF textiles are concerned, China is our main competitor. Due to multi layer subsidies offered by Chinese Government to its exporters, Indian exports are not in a position to compete with Chinese exports in global market. This price disadvantage situation of Indian exports as compared to Chinese, gives serious setback to the India exports.

Certificate of Origin

The Council issued 219 nos. of Certificate of Origin for non-quota items to member-exporters during the year.

Market watch

- Collected daily News on National and International textile issues, world economic scenario, WTO, issues, etc. from various textile websites, various Business Newspapers for dissemination amongst Member-exporters and uploaded the same in Council's website.
- Daily updates on international textiles raw material prices were sent to Member-exporters by mass mail and uploaded the same on the Council's website.

EXPORT AWARD CEREMONY

The Synthetic & Rayon Textiles Export Promotion Council held its annual Export Award Function on Saturday 27th January 2018 in Hotel Taj Land's End, Mumbai.

The Hon'ble Union Minister of Textiles Smt. Smriti Zubin Irani, Chief Guest at the Function gave away the awards to the exporters in recognition of their outstanding export performance for the year 2016-17. Dr. Kavita Gupta, Textile Commissioner graced the Function as the Guest of Honor and encouraged the award winners and the industry with inspiring words.

The Function achieved significance and grandeur on account of the august presence of Shri Sri Narain Aggarwal, Chairman of the Council; Shri Anil Rajvanshi, Convenor of the Export Award Committee and immediate past Chairman; Shri Ronak Rughani, Vice-Chairman of the Council; Shri R. L. Toshniwal and Shri Sanjeev Saran, former Chairmen of the Council along with several stalwarts of the industry, dignitaries from Foreign Missions, members of the Committee of Administration of the Council, representatives of the award winning companies and large number of member exporters of the Council and media persons.

For the year 2016-17 there were in all 40 awards of which one was Certificate of Merit for 100% export growth for the year 2016-17.

The SRTEPC Special Award for Best Overall Export Performance (Gold Trophy) was won by Reliance Industries Ltd; Grasim Industries Ltd. bagged the Silver Trophy for the Second Best Overall Export Performance while RSWM Limited was awarded the Bronze Trophy for Third Best Overall; Wellknown Polyesters Ltd. won the Trophy for Fourth Best Overall Export Performance.

The other companies which received awards in various categories were D'décor Home Fabrics Pvt. Ltd.; D'décor Exports Pvt. Ltd.; Saam Textiles Pvt. Ltd.; Sutlej Textiles and Industries Ltd.; Dicitex Furnishings Pvt. Ltd., Wearit Global Limited; Le Merite Exports Ltd.; Art Yarn Exports (India) Ltd.; Alok Industries Ltd.; Grasim Industries Ltd. (formerly known as Aditya Birla Nuvo Ltd.) Unit Indian Rayon; Vardhman Textiles Limited; Madura Coats Private Limited; Banswara Syntex Ltd; Pee Vee Textiles Ltd; Kishorilal Shyamsunder; Shriram Rayons; Samyak Synthetics Pvt. Ltd; Reagan Fashions Pvt. Ltd.; BSL Ltd. and GDJD Exports.

The Council has been a representative of the Indian MMF textile industry and with the guidance of the

Ministry of Textiles, Government of India, has been providing yeoman services to the manufacturers/exporters of MMF textiles for over last 6 decades. The Council now felt the need for having a Brand Identity which is in tune with the present international aura and future dynamics. Therefore on occasion of the Export Award Function, Council's Vision and the new logo which is contemporary and in tandem with time was launched in the presence of the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.

In his introductory speech, the Convenor Shri Anil Rajvanshi welcomed the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani and Textile Commissioner, Dr. Kavita Gupta and the other guests present at the Function. He said that textiles form an integral part of our upbringing, culture and existence. He further said that Council has completed 60 years and for all these years the Council has been celebrating this occasion with zeal to reward excellence in exports to industrialists and exporters of MMF textile industry. He added that the Council has been honouring a stalwart from the industry with Life Time Achievement Award, and this year the honour was being accorded to Shri Rajen D. Udeshi, President, Polyester Sector, Reliance Industries Limited for his invaluable contribution to the Indian MMF textile industry.

The Chairman in his welcome speech said that the current financial year has been better than the previous year for exporters of textile products. Exports during April-November 2017-18 were US\$ 3553 million in value terms against US\$ 3309 million during the corresponding period of previous year, witnessing a growth of 7.37%. The Ministry of Textiles, Government of India has set an ambitious exports target of US\$ 7.5 billion for the current financial year for the MMF textile industry.

The SRTEPC Chairman congratulated the Hon'ble Union Minister of Textiles and lauded her initiative for launching the Skill Development Scheme for Textiles with an outlay of Rs. 1,300 crores wherein, about 1 million people are expected to be trained. He said that this Skill Development Scheme will contribute substantially in enhancing workers' efficiency and productivity in the entire textile value chain and will have positive impact on exports as well.

He thanked the Government for increasing reward rates on made-ups from 3% to 5%. This he said would definitely help in enhancing competitiveness of MMF textile products in the international markets.

EXPORT AWARD CEREMONY

He also mentioned that the Council foresees a sound future for the MMF textile sector and has chalked out strategy to venture into different avenues for boosting this sector. He opined that there is huge opportunity for the MMF segment both domestically and globally. One of the promising segments of the synthetic and rayon textile industry, he stated is Technical Textiles which is he remarked a sunrise sector and has a bright future. He believed that this sector has tremendous potential which needs to be tapped. He also mentioned that weaving was also another field where there is immense scope of growth. He further informed that the Council is in the process of setting up a Technical Textile cell within the Council. He stated that the Council is also planning to set up offices in the textile hubs such as Coimbatore, Ludhiana and Bhilwara shortly. He also said that more such offices in prominent textile centres are on the anvil in the near future.

Addressing the gathering, Dr. Kavita Gupta, Textile Commissioner congratulated the award winners for their outstanding export performance and said that the Indian textile industry has strength across the entire value chain from natural to man-made fibre to apparel to home furnishings. Its share in the country's GDP is 2% and in exports it is 13%. She remarked that the sector is the largest employer in manufacturing segment in the country and is growing.

She mentioned that to attract investments and upgrade the technology, the Government launched ATUFS Scheme from 13th January 2016. Under this Scheme, she said, a total of 6,255 UIDs have been issued for total project cost of more than Rs.30,000 crores pertaining to pending RRTUFs cases. She said similarly a total of nearly 4,500 UIDs have been issued under ATUFS with total project cost of more than Rs.16,000 crores. She urged the domestic industry to gear up to come up to expectations and achieve competitiveness and quality in textiles so that we can reduce imports.

Speaking on the technical textiles sector she said that there is a need to become increasingly more competitive in Technical Textiles sector as it is a sunrise industry for textiles in India. She remarked that man-made fibres play an important role in the manufacture of Technical Textiles in all the 12 segments including geotextiles, agrotexiles, buildtech, protech, sportech, oekotech, etc.

She called on SRTEPC to give special focus to this area

and formulate a Technical Textiles cell in their organization.

In her keynote address the Chief Guest, Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani expressed her pleasure at being invited to the Function and present the awards.

She said that she took over as the Minister of Textiles at the opportune time when the Hon'ble Prime Minister had announced the Rs.6000 crore package to give boost to the apparel and the made-up sector. Smt Irani was glad that the package has given the industry the strength to reinforce the entire textile value chain. She further stated that she was happy to work with the industry to hone their skills specially on the package of Skill Development. She commended the Prime Minister for announcing the Rs.1300 crores project to enhance skill development within the industry. She remarked that SRTEPC has to work with other organizations and associations to strengthen its very base and core competence. She stated that there is tremendous possibility for exponential growth of Indian textile industry. She felt that one of the country's biggest challenges is that most of its production technology is outdated because of a lot of small scale industries don't have fiscal support to grow from strength to strength. She said that if SRTEPC can envisage a special initiative to encourage fiscal prudence and support for small scale industry and enhance production technology, it would give a huge impetus and boost to the entire segment of textile industry.

She further mentioned that the SRTEPC Chairman has on behalf of the Council expressed the need for comprehensive study of not only the MMF industry in India but also the world market. She further observed that countries like Bangladesh and Vietnam have had rapid growth and there is a need to understand their industry facets minutely after studying their growth trajectory. She stressed the need for formulating a new Policy and to ensure that there are designated pathways and implemented guidelines in place while it is being done. She pointed out that the policy should not be just reduced to paper and ink.

She perceived that the Council has always been looking at and exploring new markets, leveraging its strength in older markets and ensuring lot of diversification which help the industry grow and promote indigenous R&D. She felt that there is a need for mapping and manpower planning specially for the

EXPORT AWARD CEREMONY

industry. She announced Government support for conducting a comprehensive study on MMF textile industry in India and its export potential in the world market in conjunction with the Textile Commissioner and SRTEPC.

She hoped that the elements the study throws up not only become part of solutions that the Government seeks to provide from time to time, but also sets milestones which are easier to achieve for the bright future of the Indian textile industry.

Shri R. D. Udeshi, President, Polyester chain of Reliance Industries Limited was conferred with the Life Time Achievement Award for his exceptional contribution to

the man-made fibre textile industry.

On the occasion of the Export Awards, a special supplement was brought out in Business Standard. The supplement carried Messages from the Hon'ble Union Minister of Commerce; Hon'ble Union Minister of Textiles; Hon'ble Union Minister of State for Textiles, Commerce Secretary, Secretary Textiles and Textile Commissioner.

The presentation of the awards was followed by an evening of performances by an International Dance Troupe, a young and famous band and live RJ music that had the crowd on their feet for much of the evening.

SYSTEM SERVICES

To keep in pace with the times of computer technology, the Council has taken steps toward digitization of its activities. As in the past during the year also various software applications were developed for performing of the major activities of the Council. This also helped in its initiative of saving paper and conserving the environment as well as catering to the techno savvy members of the Council. Council's circulars, notifications, monthly publication INFO SRTEPC, etc. were electronically mailed and downloaded on the website of the Council. The year also saw the Council take a further step towards being techno savvy and connected with its member-companies by having its own Twitter handle, Facebook page as well as

disseminating important messages on WhatsApp. For the convenience of its members, the Council has started to implement online RCMC, development work since July 2017.

Council's website

The Council's website was updated on a regular basis to keep members informed about the various activities of the Council and the happenings in the MMF textile industry. The Council also invites advertisement of member companies on its website as well as enroll for Market Place on Council's website at a nominal rate.

REGIONAL OFFICES

DELHI

The Government and industry have to work in unison to tap the vast market opportunities in the world market; the Regional Office of the Council at New Delhi plays a crucial role in bridging the gap between Government and Industry. In view of the fast changing world and emerging challenges in the global market, New Delhi Regional Office exerts to mobilize the concerned Government authorities for extending possible support by means of liberalization and simplification of procedures and trade friendly measures. New Delhi Regional Office not only acts as a liaison between Government and Industry for enhancing exports of MMF Textiles but also disseminates time sensitive strategic information among the member exporters.

The Regional Office successfully carried out the certification work of member exporters in Northern Region. Apart from this, about 74 Certificates of Origin were issued to member exporters of the region during the year.

New Delhi Regional Office issued necessary Visa recommendation letters to the concerned Embassies & High Commissions located in New Delhi / Delhi for convenience of overseas business visits of member exporters, as and when applied for by them.

During the year 2017-18, as many as 48 new members enrolled in the Council at New Delhi Regional Office, besides registration of some members for membership directly at the Head Office from other parts of Northern Region. The New Delhi Regional Office made concerted efforts for securing membership fees, as a result of which 189 members renewed their membership.

New Delhi Regional Office attended to enquiries received from members regarding admissibility of incentives such as Duty Drawback, MDA & funds under MAI schemes. Besides this, the New Delhi Regional Office guided the member exporters in their day-to-day operational problems with different government authorities.

New Delhi Regional Office on behalf of the Council successfully participated in ASEAN – India, Business and Investment Meet & Expo 22-23 January 2018, at The Ashok Hotel, New Delhi.

In coordination with New Delhi Regional Office, the Officials from Head Office attended various periodical meetings at the Ministries of Textiles, Commerce & Industry, Finance and Department of Revenue, CBEC, Drawback, Income Tax & DGFT and presented Council's suggestions on various issues pertaining to the trade.

SURAT

Surat, an emerging city in the state of Gujarat, is synonymous with textiles. The textile industry is one of the

oldest and most widespread industries in Surat. Moreover, Surat is well known for its synthetic products market mainly for Polyester Filament Fabrics. It is also one of the main hubs for man-made fibre textiles in India.

The main market for Surat textile products outside the country are Asia, Middle East, America, Europe, EU, Oceania, West Indies, etc. Around 90% of polyester used domestically comes from Surat. The Middle East is the major export market followed by Asian countries. Textile items from Surat are exported to more than 80 countries.

During the year, 431 members renewed their membership and 881 enrolled as new members. The Regional Office is constantly endeavouring towards strengthening its membership. 280 Certificates of origin were issued to the members of the region during the year.

The Regional Committee, Surat played an active role in identifying the problems of exporters of the region and taking up those with appropriate authorities for early solutions. As a result most of the problems relating with Central Excise, Export Assistance Schemes, Export Procedures, etc. were resolved expeditiously.

On the occasion of the Textiles India 2017, a Press Meet-cum-Road Show was organized on 9th May 2017. The Road Show was attended by Regional CoA members, Presidents/Chairmen of various Trade Associations and representatives from various news agencies. In connection with the Textiles India 2017, a Meeting was held on 20th April 2017 to discuss and decide on various matters regarding the Exhibition.

A Presentation/Interactive Meeting with Mr. Serhan Pur, Director, M/s. Pyramids International Group, organizers of the Cairo Fashion & Tex was held on 19th July 2017. The Meeting was held to brief about the Cairo Fashion & Tex Exhibition and on the Egyptian textile market.

The Regional Office arranged Business Meetings with members of the region with Taiwanese buyer.

At the Regional Office members of the region were contacted for mobilizing their participation in various Council organized Exhibitions/Fairs. Members of the region were also contacted for garnering advertisement in the SRTEPC Diary 2018.

To clarify the GST related issues and its implications on the MMF textile industry the Council organized a Training Programme on 21st June 2017 for the member exporters of the Surat region. GST experts from ZMHS & Associates, chartered accountants held the training programme. Similarly, a Seminar on GST for exporters was also organized on 16th December 2017 in Surat. A Meeting was held on 16th March 2018 for member-exporters of the Surat region to educate them about Council's online membership application system.

EXPORT AWARD FUNCTION 2016-17



On the dais at the Export Award Function from l to r Dr. Kavita Gupta, Textile Commissioner; Shri Sri Narain Aggarwal, Chairman, SRTEPC; Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles; Shri Anil Rajvanshi, immediate past Chairman & Convenor, Export Award Committee, SRTEPC and Shri Ronak Raghani, Vice Chairman, SRTEPC



Shri Mukund Kothari, Head of Exports, Polyester Sector, Reliance Industries Ltd. receiving the Best Overall Export Performance Award for the year 2016-17 from the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.



Shri Sanjay Kumar Verma, President & Global Sales Head, Birla Cellulose, Grasim Industries Ltd. receiving the Second Best Overall Export Performance Award for the year 2016-17 from Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.



Shri Ashutosh Sharma, Vice President, Yarn Export Marketing, RSWM Ltd. receiving the Third Best Overall Export Performance Award for the year 2016-17 from the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.



Shri Rahul Gupta, Wholtime Director, Wellknown Polyesters Limited receiving the Fourth Best Overall Export Performance Award for the year 2016-17 from the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.



Shri Sri Narain Aggarwal, Chairman, SRTEPC presenting a Silver Plaque to the Chief Guest, Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles.



Shri R. D. Udeshi, President - Polyester Sector, Reliance Industries Limited receiving the Life Time Achievement Award from Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles.



Scenes from the Entertainment Programme

TEXTILES INDIA 2017



Hon'ble Prime Minister, Shri Narendra Modi inaugurating the Textiles India 2017 in Gandhinagar. Also seen in picture from l to r Shri Ajay Tamta, Hon'ble Union Minister of State for Textiles and Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles and other State Chief Ministers.



Shri Anil Rajwanshi, immediate past Chairman, SRTEPC (second from left) and Shri Sri Narain Aggarwal, Chairman, SRTEPC (third from left) interacting with Shri Ajay Tamta, Hon'ble Union Minister of State for Textiles (first from left) and Shri Anant Kumar Singh, Textiles Secretary (fourth from left).



Shri Sri Narain Aggarwal, Chairman, SRTEPC and Mr. Anil Bandara Wetlewe, Chairman, Sri Lankan Apparel Sourcing Association with the MoUs. Also seen in picture from l to r Shri Ronak Rughani, Vice-Chairman, SRTEPC; Dr. Ms. Kavita Gupta, Textile Commissioner.



Shri Sri Narain Aggarwal, Chairman, SRTEPC and Mr. Rakesh Taurani, Vice President, Indian Chamber of Commerce & Culture in the Slovak Republic (ICCCSR) signing the MoU. Also seen in picture from l to r Shri Ronak Rughani, Vice Chairman, SRTEPC; Dr. Ms. Kavita Gupta, Textile Commissioner and Shri Anant Kumar Singh, Secretary Textiles.



Shri Sri Narain Aggarwal, Chairman, SRTEPC and Mr. Indradatta Dharmawardhane, Chairman, Sri Lankan Apparel Brands Associations (SLABA) with the MoUs. Also seen in picture Shri Ronak Rughani, Vice Chairman, SRTEPC.



Shri Sri Narain Aggarwal, Chairman, SRTEPC and Mr. Dato' Sol Tan Thian Poh, President, Malaysian Textiles Manufacturers Association (MTMA) exchanging MoUs.



Shri Ronak Rughani, Vice Chairman, SRTEPC and Mr. Abdul Hassib Rahim, Executive Director, Kabul Chamber of Commerce & Industry (KCCI) exchanging MoUs. Also seen in picture Shri Sri Narain Aggarwal, Chairman, SRTEPC and Dr. Ms. Kavita Gupta, Textile Commissioner.



Shri Sri Narain Aggarwal, Chairman, SRTEPC and Mr. Amit Lath, Vice President, Indo-Polish Chamber of Commerce & Industry (IPCCI) with MoUs. Also seen in picture (centre) Shri Ronak Rughani, Vice Chairman, SRTEPC.

TEXTILES INDIA 2017

ROUND TABLE CONFERENCES AND SEMINAR IN PROGRESS



VIEW OF BUYERS IN THE STALLS



EXHIBITIONS/FAIRS



Shri Sri Narain Aggarwal, Chairman, SRTEPC (left) and Shri Ronak Rughani, Vice Chairman, SRTEPC (right) receiving the document – seeking Expression of Interest (EOI) from the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani (third from left) for the milestone Study on Man-made Fibre Textiles. Also seen in picture from l to r Dr. Kavita Gupta, Textile Commissioner; Shri D. V. Sadananda Gowda, Hon'ble Union Minister of Statistics and Programme Implementation and Shri Ananth Kumar, Hon'ble Union Minister of Parliamentary Affairs and Chemicals & Fertilizers.

Shri Rudrappa Munappa Lamani, Hon'ble Textile Minister of Karnataka (centre); to his left Shri Anant Kumar Singh, Secretary Textiles and to his right H. E. Shri Pankaj Saran, Ambassador of India to Russia jointly inaugurating the "India Pavilion" at the TEXTILLEGPROM.



H. E. Mr. Sanjay Bhattacharyya, Ambassador of India to Egypt (third from right) and Ms. Azza Mohamed Mouss, Under Secretary, Dept. of Trade Agreements, Ministry of Commerce (fourth from right) jointly inaugurating the "India Pavilion" at the Cairo Fashion & Textile.

Mr. B. S. Dzhamalov, Deputy Akim of Kazakhstan (Centre) and to his right Dr. Subrata Gupta, Joint Secretary Exports along with the other members of the Delegation after the signing of the Protocol.



MEETINGS / SEMINARS / WORKSHOP



Shri Sri Narain Aggarwal, Chairman, SRTEPC; Shri Ronak Rughani, Vice Chairman, SRTEPC and Shri Anil Rajwanshi, immediate past Chairman Meeting the Hon'ble Union Minister of Commerce & Industry, Shri Suresh Prabhu to discuss GST issues.



Members of the Drawback Committee interacting with Shri Sri Narain Aggarwal, Chairman, SRTEPC and Shri Anil Rajwanshi, immediate past Chairman. Seen on the dais from left to right: Shri Y. G. Parande, Member, Drawback Committee; Shri G. K. Pillai, Chairman, Drawback Committee; Shri Gautam Ray, Member, Drawback Committee and Shri Dinesh Kumar Gupta, Director (DBK).



A view of the audience at the GST Workshop organized by the Council in Mumbai



Shri Bhalesh Mehta, member of the Committee of Administration welcoming Shri Avinash Poddar, speaker of the Seminar with a bouquet of flowers. Also seen in picture Shri Sri Narain Aggarwal, Chairman, SRTEPC



Shri Sri Narain Aggarwal, Chairman, SRTEPC and Shri S. Balaraju, Executive Director, SRTEPC discussing various issues with the Hon'ble Union Minister of Commerce & Industry, Shri Suresh Prabhu.



On the dais at the SRTEPC Road Show-cum-Presentation at Bhiwara from 1 to 3 Shri Pankaj Tibrewal, Convenor, Membership Committee and CoA member of SRTEPC; Shri Ronak Rughani, Vice Chairman; Shri Sanjeev Saran, Past Chairman and an official of MCCCI present on the dais.



Dr. Kavita Gupta, Textile Commissioner inaugurating the new SRTEPC Regional Office in Coimbatore in the presence of Shri Sri Narain Aggarwal, Chairman, SRTEPC; Shri Ronak Rughani, Vice Chairman, SRTEPC and other members of the Committee of Administration.



Shri Ronak Rughani, Vice Chairman of the Council welcoming Ms. Minerva Liao of Taiwan Textile Federation and leader of the Taiwanese Delegation at the Visit of the Delegation to Council



**AUDITED BALANCE SHEET
AND
INCOME & EXPENDITURE ACCOUNT
2017 - 2018**

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Sixty Fourth Annual Report of the The Synthetic & Rayon Textiles Export Promotion Council together with the audited financial statements for the financial year ended March 31, 2018.

Financial Summary, Performance/highlights and State of the Company's Affair:

Your Committee of Administration is pleased to submit herewith the Audited Balance Sheet as on 31st March, 2018, Profit & Loss Account & Cash Flow Statement for the year ended 31st March, 2018.

The Statement of Profit & Loss Account for the year after providing for all known and anticipated charges discloses an excess Income of ₹ 98,50,732.23 over Expenses during the year. Last years Surplus is ₹ 3,14,90,181.12 and after adding Profit for the current year leaves a balance of ₹ 20,50,26,213.54

An amount of ₹ 1,70,71,239.35 shown as Non-Current & Current Liabilities in the Balance Sheet includes [Trade Payable (outstanding bills) etc. ₹ 9,85,634.60, Employee Related Liabilities ₹ 3,92,266/-, Liability for Leave Encashment ₹ 49,40,409/-, Grant-in-Aid payable towards Re-imbursement to Individual Exporters ₹ 16,40,632.00, Liability for Statutory Dues ₹ 2,70,150/-, Anti-Dumping Investigation Expenses-Turkey (Net Balance) ₹ 41,29,917.75 & Other Current Liabilities ₹ 47,12,230.00.

Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Capital

The Company is incorporated as "Company Limited by Guarantee" and registered under Section 25 of the Companies Act, 1956. Therefore the information as per provisions of Section 43(a) (ii), Section 54 (1) (d), Section 62 (1) (b) of the Companies Act, 2013 are not applicable to the Company

Members

Following members have been added during the year	: 1048
Following members have ceased to be the members of the Council	: 1778
At present the total number of members stands at	: 3089

Directors

In terms of Article 9.1 (b) of the Articles of Association, the following members of the Committee of Administration Shri Manoj Agarwal (Manufacturer), Shri Rajesh Kumar Modi (Manufacturer), Shri Bhadresh M Dodhia (Manufacturer), Shri Pravin Kumar Sadh (Manufacturer-SSI), Shri Anil Kumar Rajvanshi (Status Holder), Shri Pankaj Tibrewal (Merchant Exporter), Shri. Vinod Kumar Singal (Merchant Exporter) will retire at the ensuing Annual General Meeting. As per the Articles of Association No.27.7(c) of the Council, a retiring member shall be eligible for re-election subject to fulfilling criteria as given in Article 4 for a maximum continuous period of 3 terms of 3 years each including immediate past periods provided he/she continues to be an authorized representative of a member of the Council and he/she is not disqualified from seeking re-election whether under the Act or these articles and as per Articles 27.7 (d), A Member who has served on the committee for a maximum continuous period of 3 terms of three years each cannot offer himself for re-election for a period of three years, after which he may seek re-election.

Number of Meetings of the Board

The Board of Directors duly met 5 times respectively on 17.06.2017, 01.07.2017, 28.09.2017, 20.12.2017 and 16.03.2018 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

DIRECTORS' REPORT

Particulars of Remuneration

No Managerial Remuneration has been paid to the Directors.

Further none of the employees of the company were in receipt of remuneration exceeding the limits prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Particulars of contracts or arrangement with related parties

During the year under review, the Company has not entered into any contract or arrangement with related parties pursuant to Section 188 of the Act. Form No. AOC-2 pursuant to Section 134(3) (h) of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is given in Annexure I and the same forms part of this report.

Particulars of loans, guarantees or investments

The Council has not made investments or given loans or guarantees covered under section 186 of the Companies Act 2013.

Auditors

Messrs. N P Jhaveri & Associates, Chartered Accountants, who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting (AGM) and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. N P Jhaveri & Associates, as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the next AGM to be held in the year 2019.

The Auditors have forwarded their certificate under Rule 3 of Companies (Audit & Auditors) Rules, 2014 to the Company stating that their re-appointment, if made, will be in accordance with the provisions of the Companies Act, 2013 and Rules framed thereunder. The Board recommends to the members for re-appointment of the auditors and request fixing up of their remuneration.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. N P Jhaveri & Associates, Statutory Auditors, in their report.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your directors state that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departures from the same;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a 'going concern' basis; and
- v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo :

(A) Conservation of Energy and Technology Absorption

Since the Company does not own any manufacturing facility, the particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

(B) Research and Development

The Company at present has no Research and Development Facilities.

(C) Foreign Exchange Earnings and Outgo :

1. Foreign Exchange Earnings – ₹ 11,50,707.44
2. Foreign Exchange Outgo – ₹ 2,05,23,127.63

Deposits

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Corporate Social Responsibility

The provisions relating to Corporate Social Responsibility are not applicable to our Company.

Subsidiary, Associate And Joint Venture Companies

As on March 31, 2018, the Company has no subsidiary. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013.

Risk Management Policy and Internal Adequacy

The management of the Company through its board meetings reviews, identifies, and mitigate various risks which may have negative consequences on the Company's business.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

Material Orders passed by the Regulators, Courts or Tribunals

There have been no significant or material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

Extract of the Annual Return

The extract of annual return as provided under Section 92(3) of the Act in Form MGT-9 is given in Annexure II and forms part of this report.

Acknowledgments

Your Committee wish to gratefully acknowledge the assistance, support and guidance received from all the concerned Officials of Ministries of Textiles and Commerce & Industry. Your Committee also wishes to place on record their appreciation for the efforts of the representatives of the Member Companies for their contribution in managing the affairs of the Council.

For and on behalf of the Board of Directors

Chairman

Place : Mumbai

Date : 11th July, 2018

FORM NO. AOC-2

ANNEXURE I

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship :

None during the year under review

(b) Nature of contracts/ arrangements / transactions

None during the year under review

(c) Duration of the contracts / arrangements / transactions

Not applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

Not applicable

(e) Justification for entering into such contracts or arrangements or transactions

Not applicable

(f) date (s) of approval by the Board

Not applicable

(g) Amount paid as advances, if any

Not applicable

(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188

Not applicable

2. Details of material contracts or arrangements or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship :

None during the year under review

(b) Nature of contracts/ arrangements / transactions

None during the year under review

(c) Duration of the contracts / arrangements / transactions

Not applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any :

Not applicable

(e) Date (s) of approval by the Board, if any :

Not applicable

(f) Amount paid as advances, if any

Not applicable

EXTRACT OF ANNUAL RETURN

ANNEXURE II

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31st March 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U99100MH1954NPL009434
- ii) Registration Date : 13th December, 1954
- iii) Name of the Company : The Synthetic And Rayon Textiles
Export Promotion Council
- iv) Category / Sub-Category of the Company : Company Limited by Guarantee
Company licensed under Section 8
- v) Address of the Registered office and
contact details : Resham Bhavan, 78, Veer Nariman Road,
Churchgate – 400 020
- vi) Whether listed company : No
- vii) Name, Address and Contact
details of Registrar and Transfer Agent, if any : Not Applicable

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated : -

Sl. No.	Name and Description of main products / services	NIC code of the Product / Service	% to total turnover of the company
1	Membership Subscription	-	39.59
2	Contribution towards Participation for BSMs & Trade Fairs	-	30.11
3			

EXTRACT OF ANNUAL RETURN

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	Applicable Section
N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other _____									
Sub-total (A) (1) :									
(2) Foreign									
a) NRIs - Individual									
b) Other - Individual									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other _____									
Sub-total (A) (2) :									
Total shareholding of Promoter (A) = (A) (1) + (A) (2)									

EXTRACT OF ANNUAL RETURN

B. Public Shareholding									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B) (1) :									
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individual									
i) shareholders holding nominal share capital upto Rs.1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh									
c) Others (specify)									
Sub-total (B) (2) :									
Total Public shareholding (B) = (B) (1) + (B) (2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)									

EXTRACT OF ANNUAL RETURN

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the Year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Fixed Income Money Market & Derivatives Association of India							
2	Foreign Exchange Dealers' Association of India							
3	Indian Banks' Association							
	Total							

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc) :				
	At the End of the year				

EXTRACT OF ANNUAL RETURN

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Top 10 Shareholders				
	At the beginning of the year				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel ::

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Directors and KMP				
	At the beginning of the year				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)				
	At the End of the year				

EXTRACT OF ANNUAL RETURN

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify					
5	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

EXTRACT OF ANNUAL RETURN

B. Remuneration to other Directors :

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors					
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					
	4. Other Non-Executive Directors					
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B) = (1 + 2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify				
	Total				

EXTRACT OF ANNUAL RETURN

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

INDEPENDENT AUDITOR'S REPORT

To the Members of THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

1. Report on the Financial Statements

I have audited the accompanying financial statements of SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit.

I have taken into account the provisions of the Act and the Rules made there under including the accounting and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

I conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

4 Opinion

In my opinion and to the best of our information and according to the explanations given to me, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018

INDEPENDENT AUDITOR'S REPORT

- (b) In case of the Statement of Profit and loss, of the profit for the year ended on that date
- (c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date

5 Report on Other Legal and Regulatory Requirements

- 1) The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of subsection(11) of section 143 of the Act, is not applicable to the Company in view of paragraph 1(2)(iii) of the Order providing exemption to Section 8 Companies.
- 2) As required by section 143(3) of the Companies Act 2013, we report that:
 - (a) I have sought and obtained all the information and explanations which to the best of our belief were necessary for the purposes of our audit.
 - (b) in my opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet ,Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - (d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of our information and according to the explanations given to me :
 - (i) The Company has disclosed impact, if any, of pending litigations as at 31st March, 2018 on its financial position in its financial statements. Refer Note no 16 of notes to the financial statements.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2018.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company during the year ended 31st March, 2018.

For N P JHAVERI AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 104237W

NITIN P JHAVERI
PROPRIETOR
MEM. NO. 033851

MUMBAI: 11th July, 2018

INDEPENDENT AUDITOR'S REPORT

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 5.2(f) of the Independent Auditor's Report of even date to the members of The Synthetic and Rayon Textiles Export Promotion Council

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013.

1. I have audited the internal financial controls over financial reporting of The Synthetic and Rayon Textiles Export Promotion Council as at 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control on financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required by the Act.

Auditor's Responsibility

3. My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis of our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of

INDEPENDENT AUDITOR'S REPORT

the company; (2) provide reasonable assurance those transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N P JHAVERI AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 104237W

NITIN P JHAVERI
PROPRIETOR
MEM. NO. 033851

MUMBAI: 11th July, 2018

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH, 2018

	Note No	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
LIABILITIES :			
CAPITAL FUND :			
Reserves and Surplus	1	24,54,36,963.54	23,45,38,231.31
NON-CURRENT LIABILITIES :			
Long-Term Provisions	2	38,77,002.00	52,30,205.00
CURRENT LIABILITIES :			
Trade Payables	3	9,85,634.60	5,43,447.69
Other Current Liabilities	4	1,11,45,195.75	2,50,60,898.26
Short Term Provisions	5	10,63,407.00	17,97,212.00
		1,31,94,237.35	2,74,01,557.95
TOTAL :		26,25,08,202.89	26,71,69,994.26
ASSETS :			
NON-CURRENT ASSETS :			
Tangible Fixed Assets	6	41,50,115.04	47,20,029.03
Tangible Work-in-Progress		2,09,38,359.00	2,09,38,359.00
		2,50,88,474.04	2,56,58,388.03
Long Term Loans and Advances	7	1,58,72,355.31	1,39,04,284.15
CURRENT ASSETS :			
Cash and Bank Balances	8	20,42,27,528.82	22,51,61,656.16
Short Term Loans and Advances	9	21,17,432.20	18,071.00
Other Current Assets	10	1,52,02,412.52	24,27,594.92
		22,15,47,373.54	22,76,07,322.08
TOTAL :		26,25,08,202.89	26,71,69,994.26
Notes to the Financial Statements and Significant Accounting Policies	1 To 29		

In terms of our report attached.

For and on behalf of the Committee of Administration

For N.P. JHAVERI & ASSOCIATES
Chartered Accountants
(Firm Registration No.104237W)

SRI NARAIN AGGARWAL
Chairman

RONAK RUGHANI
Vice-Chairman

(N.P. JHAVERI)
Proprietor

ANIL KUMAR RAJBANSHI
Former Chairman

S. BALARAJU
Executive Director Cum Secretary

Place : Mumbai
Date : 11th July, 2018

Place : Mumbai
Date : 11th July, 2018

PROFIT AND LOSS A/c

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Note No	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
REVENUE :			
Revenue from Operations	11	4,30,61,294.00	7,02,61,208.00
Other Income	12	1,60,30,150.84	1,85,28,061.87
TOTAL REVENUE		5,90,91,444.84	8,87,89,269.87
EXPENSES :			
Employee Benefits Expense	13	1,67,61,328.40	2,25,34,540.00
Finance Charges	14	996,753.00	124,957.00
Depreciation and Amortisation Expense [Refer Note 27]	6	6,21,359.99	8,71,925.00
Other Expenses	15	3,08,61,271.22	3,37,67,666.75
TOTAL EXPENSES		4,92,40,712.61	5,72,99,088.75
PROFIT / (LOSS) FOR THE YEAR		98,50,732.23	3,14,90,181.12

Notes to the Financial Statements and
Significant Accounting Policies

1 To 29

In terms of our report attached.

For and on behalf of the Committee of Administration

For N.P. JHAVERI & ASSOCIATES
Chartered Accountants
(Firm Registration No.104237W)

SRI NARAIN AGGARWAL
Chairman

RONAK RUGHANI
Vice-Chairman

(N.P. JHAVERI)
Proprietor

ANIL KUMAR RAJBANSHI
Former Chairman

S. BALARAJU
Executive Director Cum Secretary

Place : Mumbai
Date : 11th July, 2018

Place : Mumbai
Date : 11th July, 2018

CASH FLOW

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
A Cash Flow from Operating Activities		
Profit Before Tax	9,850,732.23	3,14,90,181.12
Add / (Deduct)		
Depreciation & Amortisation Expenses	6,21,359.99	8,71,925.00
Credit Balances Written Back	-	(12,22,481.69)
Interest Income	(144,10,264.53)	(1,51,56,957.81)
(Profit) / Loss on Sale of Fixed Assets	278.00	(3,530.00)
Finance Costs	9,96,753.00	1,24,957.00
Operating Profit before Working Capital Changes	(2,941,141.31)	161,04,093.62
Add / (Deduct)		
Increase / (Decrease) in Trade and Other Payables	(2,349,402.60)	1,008,773.88
(Increase) / Decrease in Trade and Other Receivables	(149,98,013.80)	(374,151.76)
Cash generated from Operations	(202,88,557.71)	167,38,715.74
Direct Taxes paid (net of refunds)	(19,70,186.16)	(14,07,304.15)
Net Cash from Operating Activities	(222,58,743.87)	153,31,411.59
B Cash Flow from Investing Activities		
Additions to Tangible Fixed Assets	(54,038.00)	(4,00,578.50)
Fixed Deposit Investment (Net)	2,42,75,069.49	(4,07,14,511.74)
(Original maturity of more than 3 Months)		
Sale of Tangible Fixed Assets	2,314.00	7,500.00
Interest Received	1,45,36,214.53	1,52,44,269.50
Net Cash from / (used in) Investing Activities	3,87,59,560.02	(2,58,63,320.74)
C Cash Flow from Financing Activities		
Entrance Fees Received	10,48,000.00	16,80,000.00
(Unspent Grant-in-Aid from Government of India refunded) / Unspent Grant-in-Aid received from Government of India (Net)	(141,17,000.00)	86,38,000.00
Finance Costs	(90,874.00)	(34,083.00)
Net Cash from / (used in) Financing Activities	(131,59,874.00)	102,83,917.00
Net Cash Flows during the year (A + B + C)	33,40,942.15	(2,47,992.15)
Cash & Cash Equivalents (Opening Balance)	533,013.49	781,005.64
Cash & Cash Equivalents (Closing Balance)	38,73,955.64	533,013.49
Net (Decrease) / Increase in Cash & Cash Equivalents	33,40,942.15	(2,47,992.15)

In terms of our report attached.

For and on behalf of the Committee of Administration

For N.P. JHAVERI & ASSOCIATES

Chartered Accountants

(Firm Registration No.104237W)

SRI NARAIN AGGARWAL
Chairman

RONAK RUGHANI
Vice-Chairman

(N.P. JHAVERI)
Proprietor

ANIL KUMAR RAJBANSHI
Former Chairman

S. BALARAJU
Executive Director Cum Secretary

Place : Mumbai

Date : 11th July, 2018

Place : Mumbai

Date : 17th June, 2018

NOTES

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 1 - Reserves and Surplus		
Entrance Fees :		
Balance as at the beginning of the year	1,93,62,750.00	1,76,82,750.00
Add : Received during the year	10,48,000.00	16,80,000.00
Balance as at the end of the year	2,04,10,750.00	1,93,62,750.00
Surplus :		
Balance as at the beginning of the year	19,51,75,481.31	18,36,85,300.19
Add : Profit for the year	98,50,732.23	3,14,90,181.12
Less : Transferred to Building Fund	—	20,000,000.00
Balance as at the end of the year	20,50,26,213.54	19,51,75,481.31
Building Fund		
Balance as at the beginning of the year	2,00,00,000.00	—
Transferred from Surplus	—	2,00,00,000.00
	20,000,000.00	20,000,000.00
TOTAL -	24,54,36,963.54	23,45,38,231.31
Note 2 - Long-Term Provisions :		
Provision for Leave Encashment	38,77,002.00	52,30,205.00
	38,77,002.00	52,30,205.00
Note 3 - Trade Payables :		
Due to Micro and Small Enterprises	—	—
Due to Creditors other than Micro and Small Enterprises	9,85,634.60	5,43,447.69
TOTAL -	9,85,634.60	5,43,447.69

NOTES

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 4 - Other Current Liabilities :		
Other Payables :		
Liability for Statutory Dues	2,70,150.00	2,65,019.00
Government Grant-in-Aid received for Re-imbursement to Individual Exporters Carried Forward - [Refer Note 22 (iii)]	16,40,632.00	1,13,90,632.00
Unspent Grant-in-Aid from Government of India (MDA) [Refer Note 22 (ii)]	—	43,67,000.00
Employee Related Liabilities	3,92,266.00	1,10,000.00
Advance Membership Fees Received	—	80,150.00
Expiry review of Anti Dumping Duty - Turkey (Net Balance) [Refer Note 23]	41,29,917.75	41,29,917.75
Other Liabilities	47,12,230.00	47,18,179.51
TOTAL -	1,11,45,195.75	2,50,60,898.26
Note 5 - Short Term Provisions :		
Provision for Staff Superannuation Scheme	—	13,44,270.00
Provision for Staff Gratuity Scheme	—	3,83,074.00
Provision for Leave Encashment	10,63,407.00	69,868.00
TOTAL -	10,63,407.00	17,97,212.00

NOTES

Note 6 - Tangible Fixed Assets

Particulars	Buildings	Furnitures, Fixtures & Electrical Fittings	Office Equipments	Motor Car	Computers	Total 31-3-2018	Previous Year 31-3-2017
	₹	₹	₹	₹	₹	₹	₹
GROSS BLOCK :							
Balance as at 1-4-2017	59,55,903.80	71,68,958.77	43,07,034.69	10,25,775.72	56,48,850.15	2,41,06,523.13	2,42,78,194.63
Additions during the year	—	—	44,039.00	—	9,999.00	54,038.00	400,578.50
Sub-Total	59,55,903.80	71,68,958.77	43,51,073.69	10,25,775.72	56,58,849.15	2,41,60,561.13	2,46,78,773.13
Deductions during the year	—	—	19,500.00	—	—	19,500.00	572,250.00
Gross Block As At 31-03-2018	59,55,903.80	71,68,958.77	43,31,573.69	10,25,775.72	56,58,849.15	2,41,41,061.13	2,41,06,523.13
DEPRECIATION :							
Provided upto 1-4-2017	29,50,107.02	66,41,899.39	38,70,990.05	6,37,367.24	52,86,130.40	1,93,86,494.10	1,90,82,849.10
Adjusted against Retained Earnings [Refer Note 26]	—	—	—	—	—	—	—
Depreciation provided during the year	1,45,136.00	48,791.00	1,19,206.93	1,21,300.00	1,86,926.06	6,21,359.99	8,71,925.00
Sub-Total	30,95,243.02	66,90,690.39	39,90,196.98	7,58,667.24	54,73,056.46	2,00,07,854.09	1,99,54,774.10
Deductions during the year	—	—	16,908.00	—	—	16,908.00	568,280.00
Total Depreciation upto 31-03-2018	30,95,243.02	66,90,690.39	39,73,288.98	7,58,667.24	54,73,056.46	1,99,90,946.09	1,93,86,494.10
NET BLOCK as at 31-03-2018	28,60,660.78	4,78,268.38	3,58,284.71	2,67,108.48	1,85,792.69	41,50,115.04	47,20,029.03
As At 31-3-2018	30,05,796.78	5,27,059.38	4,36,044.64	3,88,408.48	3,62,719.75	47,20,029.03	

NOTES

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 7 - Long Term Loans and Advances :		
Unsecured - Considered Good		
Deposits	13,20,020.00	13,22,135.00
Tax Deducted at Source / Income Tax payments	1,45,52,335.31	1,25,82,149.15
	1,58,72,355.31	1,39,04,284.15
Note 8 - Cash and Bank Balances :		
Cash and Cash equivalents		
Cash on Hand	72,544.00	66,969.00
Balances with Banks in Current Accounts	38,01,411.64	4,66,044.49
	38,73,955.64	5,33,013.49
Other Bank Balances :		
Fixed Deposit with Banks	20,03,53,573.18	22,46,28,642.67
(Original Maturity more than 3 Months)	20,42,27,528.82	22,51,61,656.16
Note 9 - Short Term Loans and Advances :		
Unsecured - Considered Good		
Advance with LIC Staff Superannuation Fund	15,63,721.00	—
Advance with LIC Staff Gratuity Fund	5,17,447.00	—
Other Advances	36,264.20	18,071.00
TOTAL -	21,17,432.20	18,071.00
Note 10 - Other Current Assets :		
Grant-in-Aid Receivable from Government of India (MAI)	1,00,60,000.00	11,01,000.00
[Refer Note 22 (I)]		
Prepaid Expenses	38,208.52	73,095.00
Other Receivables	38,68,824.00	5,95,836.92
Balances with Govt Authorities	9,46,459.00	2,42,792.00
Interest Accrued on Fixed Deposits	2,88,921.00	4,14,871.00
TOTAL -	1,52,02,412.52	24,27,594.92

NOTES

NOTES TO THE FINANCIAL STATEMENTS

Note 11 - Revenue from Operations

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Membership Subscription	2,32,73,000.00	2,78,07,000.00
Registration cum Membership Fees	1,18,900.00	1,93,800.00

Contribution towards Participation for BSMs & Trade Fairs :

Expocomer, Panama	—	15,82,875.00
Federal Trade Fair for Apparel & Textiles, Russia	—	53,13,364.00
Intermoda, Guadalajara, Mexico	—	41,45,000.00
Intexpo, Bangladesh	—	33,80,000.00
Intexpo, Ethiopia	—	16,45,000.00
Intexpo, Kenya	—	16,25,000.00
Intexpo, Myanmar	—	30,90,000.00
Intexpo, UAE	—	30,48,000.00
RBSM "Source India" - Surat	—	1,63,92,592.00
48th Textilegrom Russia 2017	4,072,346.00	—
Intexpo Egypt (2017-18)	4,055,875.00	—
Textile India (2017-18)	9,663,500.00	—
	1,77,91,721.00	4,02,21,831.00

Collection from Members towards Publication	9,26,700.00	11,45,700.00
Certificate of Origin Issuance & Amendment Charges	58,544.00	78,888.00
SRTEPC Development Fees	4,63,350.00	5,72,850.00
Income from Council's Website (Net)	25,764.00	44,249.00
(Current Year Income Rs.25764/- Less Expenses Rs.Nil)		
(Previous Year Income Rs.76000/- Less Expenses Rs.31751/-)		
Publication of Council's Diary (Net)	2,13,299.00	2,150.00
(Current Year Income Rs. 488299/- Less Expenses Rs. 275000/-)		
(Previous Year Income Rs.2150/- Less Expenses Rs. Nil/-)		
Advertisement in Newsletter (Info SRTEPC)	1,23,156.00	21,740.00
Export Performance Certificates	35,000.00	1,05,000.00
SRTEPC Members Directory-2015	31,860.00	68,000.00

TOTAL -	4,30,61,294.00	7,02,61,208.00
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NOTES

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 12 - Other Income		
Interest on Fixed Deposits with Banks	1,44,10,264.53	1,51,56,957.81
Interest on Other Deposits	20,727.66	—
Interest on Income Tax Refund	1,336.00	2,05,892.00
Credit Balances Written Back	459.93	12,22,481.69
Miscellaneous Receipts	22,224.72	34,636.41
Revenue from Export Award Function (Net)	15,75,138.00	19,04,563.96
(Current Year Income Rs.5946434/- Less Expenses Rs.4371296)		
(Previous Year Income Rs.5025000/- Less Expenses Rs.3120436.04)		
Profit on Sale of Fixed Assets	—	3,530.00
TOTAL -	1,60,30,150.84	1,85,28,061.87

Note 13 - Employee Benefit Expense

Salaries etc.	1,43,50,993.00	1,53,68,317.00
Council's contribution to Staff Provident Fund	13,35,285.00	14,75,198.00
Provision / Contribution to Staff Gratuity Fund	36,060.00	8,10,085.00
Staff Welfare Expenses (including Medical Benefits, Leave Travel Concession & Staff Group Insurance Premium)	10,97,951.40	9,82,707.00
Provision / Encashment of Privilege Leave [Refer Note - 21]	(187,166.00)	9,52,834.00
Provision / Contribution paid to LIC for Council's Superannuation Scheme	1,28,205.00	29,45,399.00
TOTAL -	1,67,61,328.40	2,25,34,540.00

Note 14 - Finance Charges

Other Interest (Interest on Govt. Grant-in-Aid)	9,96,753.00	1,24,957.00
	9,96,753.00	1,24,957.00

NOTES

NOTES TO THE FINANCIAL STATEMENTS

Note 15 - Other Expenses

A. Administrative Expenses

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Rent	1,62,458.64	1,62,458.64
Property Taxes [Refer Note - 26]	24,91,950.00	—
Telephone / Fax Charges	1,59,127.18	1,89,410.47
Electricity Charges	4,78,541.66	5,84,810.00
Printing & Stationery	2,59,995.70	1,48,937.25
Travelling Expenses	11,74,759.76	14,39,098.73
Local Conveyance	59,781.00	77,459.00
Postage, Telegram & Telex Charges	2,23,347.15	2,09,523.93
Staff Motor Car Expenses	1,64,620.86	1,21,201.17
Expenses of Regional Offices	8,37,944.20	6,20,487.82
Miscellaneous Expenses	13,61,567.35	10,43,448.54
Insurance	4,688.00	4,602.00
Legal & Professional Fees (Including Audit Fees)	37,65,750.00	15,57,018.00
Software / Computer Data Processing Expenses	3,45,314.35	2,46,975.94
Repairs & Replacement Expenses	2,97,874.46	60,631.00
Annual General Meeting Expenses	1,73,748.00	1,03,476.96
Foreign Exchange Gain / (Loss) - (Net)	18,157.92	85,268.90
Loss on sale of Fixed Assets	278.00	—
Recruitment Expenses	—	15,463.00

TOTAL (A) -

1,19,79,904.23

66,70,271.35

B. Direct Export Promotion Expenses

Publication Expenses incurred in India :

For Members	12,31,365.03	3,92,024.89
For Export Promotion	—	9,11,600.00

12,31,365.03

13,03,624.89

Delegations :

High Level Textile Delegation to Kazakhstan	155,241.00	—
High Level Textile Delegation to Germany & Italy	—	2,91,810.05

1,55,241.00

2,91,810.05

Others :

Public Relation Expenses	1,61,654.00	1,36,774.00
Subscription to Publications & Ex-imp Data	1,93,706.00	47,390.00
Seminars / Workshops / Meetings	7,91,777.00	6,63,345.94
Membership Fees (Council's)	6,250.00	6,281.00
Advertisement in India	16,800.00	16,800.00
9th India-EU Joint Working Group Meeting, Belgium	-	2,02,774.00
High Level Drawback Committee	1,46,967.00	1,26,405.20

13,17,154.00

11,99,770.14

NOTES

NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Exhibitions : (Under MAI & MDA Schemes)		
Expocomer, Panama	—	15,49,727.84
Federal Trade Fair for Apparel & Textiles, Russia	—	79,65,343.14
Intermoda, Guadalajara, Mexico	—	55,97,799.28
Intexpo, Bangladesh	—	36,51,888.59
Intexpo, Ethiopia	—	29,22,200.08
Intexpo, Kenya	—	24,67,190.71
Intexpo, Myanmar	—	28,60,759.40
Intexpo, UAE	—	37,71,815.10
RBSM "Source India" - Surat	—	1,73,99,316.18
48th FTF for App & Tex Moscow Russia (2017-18)	11,359,915.74	—
Intexpo, Egypt (2017-18)	7,161,482.80	—
Textile India 2017	26,254,522.42	—
	4,47,75,920.96	4,81,86,040.32
Less : Grant-in-Aid from Central Government (Net) [Refer Note - 22 (i) & (ii)]	2,89,33,135.00	2,38,83,850.00
	1,58,42,785.96	2,43,02,190.32
Exhibitions : (Others)		
Textile Karnataka 2018	334,821.00	—
	3,34,821.00	—
TOTAL (B) -	1,88,81,366.99	2,70,97,395.40
TOTAL (A + B) -	3,08,61,271.22	3,37,67,666.75

NOTES

NOTES TO THE FINANCIAL STATEMENTS

Note 16 - Contingent Liabilities not provided for : Income Tax Matters :

- The Income-Tax Department has filed appeal in the High Court of Judicature at Bombay for Assessment Year 2008-09 against the order of Income-Tax Appellate Tribunal's decision in favour of the Council. The total amount of disputed tax liability is ₹ 54,92,780/- (exclusive of interest).
- The Council has filed appeals before Commissioner of Income Tax (Appeals) for Assessments for Assessment Years 2013-14, 2014-15 & 2015-16. The disputed amount of Income Tax liability is ₹ 1,80,61,064/-.
- The Income-Tax Appellate Tribunal has decided in Council's favour the disputed demands amounting to ₹ 3,21,08,946/- for the Assessment Years 2004-05, 2006-07, 2009-10, 2011-12 & 2012-13. The Income-Tax Department has not till date filed appeals in the High Court of Judicature at Mumbai. It is probable that the Income-Tax Department will file appeals against the order of the Income-Tax Appellate Tribunal.

Other Matters :

- Claims against the Council for mesne profits ₹ 10,44,65,925/- (Previous Year ₹ 9,37,25,325/-).
- Claim against the Council and 6 other persons for unliquidated damages and other matters ₹ 20,00,00,000/- (Previous Year ₹ 20,00,00,000/-). The case is in pre-admission stage at the High Court of Judicature, Bombay.

Note 17 - Income Tax

Provision for Income Tax for the current year and also for the preceding accounting years has not been made as the Council is of the opinion, based on its own cases decided in its favour by the Appellate Tribunal and also other Appellate Tribunal Cases, that there would be no taxable income. The council is also of the opinion that based on professional advice the proviso to section 2(15) of the Income tax act 1961 is not applicable to the Council.

Note 18 - Payment to Auditors (included in Legal & Professional Fees) :

	2017-2018 ₹	2016-2017 ₹
As Auditors	50,000.00	50,000.00
For Taxation Matters	10,000.00	10,000.00
In Other capacity	27,000.00	22,000.00

Note 19 - Expenses of Regional Offices include Rent ₹ 96,691/- (Previous Year ₹ 73,959/-).

Note 20 - Contribution to Defined Contribution Plans :

	2017-2018 ₹	2016-2017 ₹
Provident Fund (Including for Regional Offices)	13,35,285.00	14,75,198/-

NOTES

Note 21 - The actuarial liability for Leave Encashment has been workout with one of the assumptions being that on resignation of the employee he would be entitled to encashment of the entire unavailed leave. However, the practice of the Council is to pay only 50% of the unavailed leave liability. The actuarial liability provided is on the higher side due to this assumption.

Note 22 - The details of Government Grant-in-Aid are as follows :-

(i) Grant under Market Access Initiative :

	2017-2018 ₹	2016-2017 ₹
Opening Balance of Grant-in-Aid Receivable	(11,01,000.00)	—
Amount received during the year	1,99,74,134.00	1,50,70,150.00
Add : Grant-in-Aid Receivable	1,00,60,000.00	11,01,000.00
Total -	2,89,33,135.00	1,61,71,150.00
Less : Amount refunded during the year	—	—
Total -	—	1,61,71,150.00
Amount Transferred to Export Promotion Expenses A/c (A) * Includes adjustment of Rs. 5,81,000/- for short receipt of Grant-in-Aid for previous year	* 2,89,33,135.00	1,61,71,150.00

(ii) Grant under Market Development Assistance (excluding for Individual Exporters) :

	2017-2018 ₹	2016-2017 ₹
Opening Balance of un-utilised Grant-in-Aid	43,67,000.00	2,48,000.00
Amount received during the year	-	1,45,82,000.00
Total -	43,67,000.00	1,48,30,000.00
Less : Amount refunded during the year	43,67,000.00	27,50,300.00
Less : Closing Balance of un-utilised Grant-in-Aid Payable	—	43,67,000.00
Total -	43,67,000.00	71,17,300.00
Amount Transferred to Export Promotion Expenses A/c (B)	—	77,12,700.00
Total amount transferred Export Promotion Expenses A/c (A + B)	2,89,33,135.00	2,38,83,850.00

NOTES

(iii) Grant under Market Development Assistance for Re-imbusement to Individual Exporters :

	2017-2018 ₹	2016-2017 ₹
Opening Balance (receivable)/payable	1,13,90,637.00	57,70,632.00
Add : Amount received during the year	—	1,54,00,000.00
Total -	1,13,90,637.00	2,11,70,632.00
Less: Claims of Individual Exporters paid during the year	18,65,000.00	62,75,000.00
Less: Amount Refunded during the year	78,85,000.00	35,05,000.00
Total -	97,50,000.00	97,80,000.00
Closing Balance (receivable)/payable	16,40,632.00	1,13,90,632.00

Note 23 - The Council has incurred expenditure, collected contributions from affected Members for initiating Expiry Review of Anti-Dumping Duty imposed by Turkey on import of Yarn of Man-Made or Synthetic or Artificial Staple Fibre. The proceedings have not been concluded and further expenses/collections are expected. Therefore the net amount of ₹ 41,29,917.75 has been carried forward to the next year and disclosed under Note No. 4 – Other Current Liabilities. The details are as under :

	2017-2018 ₹	2016-2017 ₹
(A) Expenditure incurred upto 31.03.2017	66,48,082.25	66,10,451.25
Expenditure incurred during the year	-	37,631.00
Total Expenditure -	66,48,082.25	66,48,082.25
(B) Collections from affected Members upto 31.03.2017	75,00,000.00	75,00,000.00
Government Grant-in-Aid received upto 31.03.2017	32,78,000.00	32,78,000.00
Total Collections -	1,07,78,000.00	1,07,78,000.00
(C) Balance carried forward to next year	41,29,917.75	41,29,917.75

Note 24 - Information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 with respect to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Council.

NOTES

Note 25 - Details of expenses incurred in Foreign Exchange during the year :

A) Expenses

PARTICULARS	2017-2018 ₹	2016-2017 ₹
Intermoda, Guadalajara, Mexico		50,68,267.00
44th Federal Trade Fair "TEXTILEGPROM", Russia		76,55,873.00
Textile India 2017	3,82,016.00	—
48th FFT for App & Tex Moscow Russia (2017-18)	1,31,26,633.00	—
Intexpo Egypt (2017-18)	69,33,174.00	—
High Level Deligation to Kazakhstan	81,304.63	—
9th India-EU JWG Meeting in Belgium		65,416.00
Expocomer, Panama		13,40,739.00
Intexpo, UAE		36,82,263.00
Intexpo, Dhaka, Bangladesh		32,95,420.00
Intexpo, Ethiopia		28,52,525.00
Intexpo, Myanmar		26,10,929.00
Intexpo, Kenya		24,03,895.00
High Level Textile Delegation to Germany & Italy		1,52,040.00
Travelling Expenses		51,909.00
TOTAL -	2,05,23,127.63	2,91,79,276.00

B) Income

PARTICULARS	2017-2018 ₹	2016-2017 ₹
Participation fees for Textile India 2017	11,31,573.44	-
Miscellaneous Income	19,134.00	-
Total	11,50,707.44	-

Note 26 - The Council has pursuant to demand notice received from Bhrihanmumbai Mahanagarpalika paid property Tax amounting to Rs. 24,91,950/- for the period 01.04.2010 to 31.03.2018

Note 27 - Leases : The Council has taken on leases Office Premises which are in nature cancelable operating leases. The total rent recognized in the Income & Expenditure A/c is ₹ 2,59,149.64 (Previous Year ₹ 2,36,417.64).

Note 28 - Previous years figures have been regrouped wherever necessary so as to make them comparable with those of current year.

NOTES

Note 29 - Significant Accounting Policies :

I. Method of Accounting Employed :

- A. The Council follows accrual system of accounting.
- B. Export Award Expenses, Publication of Council's Diary, Income from Council's Website & SRTEPC Members Directory-2015 are shown net after considering receipts towards the said account.
- C. The Council discloses expenditure/contributions towards Exhibitions/Shows in the Income & Expenditure A/c in the year in which the Exhibitions/Shows are held. In the cases when the period of Exhibition/Shows is spread over two accounting periods the entire expenditure/contribution is accounted in the accounting period in which the Exhibition/Show has commenced.

II. Fixed Assets :

The fixed assets are stated at cost less depreciation without any adjustment for Government Grant received, if any, for their purchase. Provision for impairment if any is made in accordance with Accounting Standard (AS)28 – Impairment of Assets.

III. Depreciation :

Depreciation is provided on Written Down Value basis as per Schedule II of the Companies Act, 2013.

IV. Treatment of Employee Benefit :

The Council is having less than 50 average number of employees during the year under review and is also fulfilling the other conditions for qualifying under para (c) of Accounting Standard (AS) 15, Employee Benefits, under which the Council is exempted from substantial measurement and recognition principles and disclosure requirements of the said Standard.

The Council follows the following policies for accounting of employee benefits :

a) Defined Contribution Plans :

Monthly contributions to a Government administered Provident Fund are considered as an expense in the Accounts. The Council has no further liability other than the monthly contributions.

b) Defined Benefit Plans :

- i) Liability towards Gratuity covered by a Group Gratuity Scheme with Life Insurance Corporation of India is provided on actuarial basis.
- ii) Liability towards Superannuation benefits covered by Staff Superannuation Scheme with Life Insurance Corporation of India is provided on actuarial basis.
- iii) Liability for Leave Encashment is provided for on actuarial basis.

NOTES

V. Foreign Currency Transactions :

- a) Foreign currency transactions are accounted on the basis of rate of exchange applicable on the date of payment/receipt.
- b) In respect of Current Assets/Liabilities outstanding at the end of the year the same are stated at the exchange rate prevailing at the year end and the difference is adjusted in the Income & Expenditure A/c.

VI. Government Grants :

Grants sanctioned by Central Government against revenue expenditure is credited to Income & Expenditure A/c on accrual basis to the extent the Council has fulfilled the conditions of the Grant. In respect of grants against capital expenditure, it is deferred to Capital Reserve and amortized to the Income & Expenditure A/c over the estimated useful life of the assets.

Signatures to Notes 1 to 29

FOR N.P. JHAVERI & ASSOCIATES

Chartered Accountants

(Firm Registration No. 104237W)

(N.P. JHAVERI)

Proprietor

Mumbai, 11th July, 2018

Chairman

Vice-Chairman

Former Chairman

Executive Director Cum Secretary

NOTES

NOTES TO FINANCIAL STATEMENTS ANNEXURE - A

STATEMENT SHOWING THE HEADS OF ACCOUNT UNDER WHICH THE EXPENDITURE HAS BEEN IN EXCESS OF THE BUDGET PROVISION DURING THE YEAR 2017-18

Sr.No.	Heads of Accounts	Sanctioned Budget 2017-2018 ₹	Actual Expenditure 2017-2018 ₹	Excess Expenditure 2017-2018 ₹
1	AGM Expenses/Annual Reports	3,00,000.00	3,63,200.00	63,200.00
	TOTAL -	3,00,000.00	3,63,200.00	63,200.00

(Excess Expenditure comes to ₹ 63,200.00)

VIEW OF THE EXHIBITOR'S STALLS AT TEXTILES INDIA 2017



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