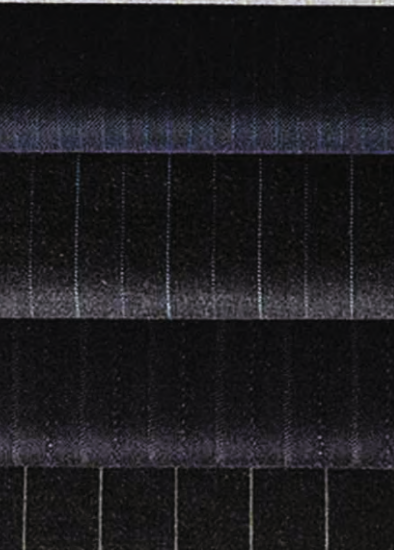




# 65th ANNUAL REPORT 2018 - 2019





## COMMITTEE OF ADMINISTRATION



**Ronak Rughani**  
*Chairman*



**Dhiraj Raichand Shah**  
*Vice-Chairman*

## MEMBERS



**Sri Narain Aggarwal**  
*Praful Exports*



**Ganesh Kumar Gupta**  
*Aakash Textiles  
Exports Pvt. Ltd.*



**S. K. Khandelwa**  
*Sutlej Textiles &  
Industries Ltd.*



**Manoj Agarwal**  
*Shubhalakshmi  
Polyesters Ltd.*



**Sailesh Goenka**  
*P.D. Impex*



**Vijay Puri**  
*Vijay Fabrics Pvt. Ltd.*



**Shaleen Toshniwal**  
*Banswara Syntex  
Limited*



**Anil Kumar Gupta**  
*Wellknown Polyesters  
Limited*



**Sanjay Kumar Verma**  
*Grasim Industries Ltd.*



**Bhalesh R. Mehta**  
*Rachna Art Prints  
Pvt. Ltd.*



**Ahmed Abdul  
Sattar Khatri**  
*Yasmeen Silk Corporation*



**Ravindra Arya**  
*Bindal Exports Ltd.*



**Vikas Ladia**  
*D'décor Exports  
Private Limited*



**Ashish Mahajan**  
*Mahajan Textile Finishers  
Private Limited*



**Punkaj Lath**  
*Euro Vistaa (India)  
Limited*



**Subhash Chand Goyal**  
*Mahendra Cotton Mills  
Private Limited*



**Bhadresh Dodhia**  
*Dodhia Synthetics  
Limited*



**Dinesh Modi**  
*Banbury Exports  
(A Div. of Banbury  
Impex Pvt. Ltd.)*

## EX - OFFICIO MEMBERS



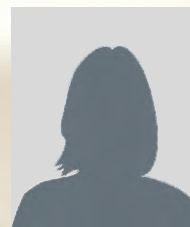
**Abhishek Lath**  
*Le Merite Exports Ltd.*



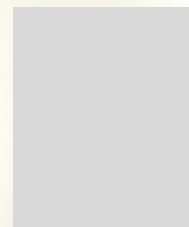
**P. Duraiswamy**  
*Pallava Textiles Pvt. Ltd.*



**Prakash Maheshwari**  
*BSL Ltd.*



**Aditi Das Rout**  
*Trade Advisor  
Govt. of India*



*Textile Commissioner*

## NOTICE

Notice is hereby given that 65<sup>th</sup> Annual General Meeting of the Council will be held on Saturday, 28<sup>th</sup> September, 2019 at 2.00 P.M. in the Cricket Club of India Ltd., The C.K. Nayudu Banquet Hall, Brabourne Stadium, Mumbai – 400 020, to transact the following business:

1. To receive and adopt the Annual Report of the Committee of Administration for 2018-2019 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 31<sup>st</sup> March 2019 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 Saturday, 21<sup>st</sup> September, 2019.**

3. To elect a member to the Committee of Administration in place of Shri Shaleen Toshniwal (Manufacturer) who retires by rotation and is not eligible to stand for election from M/s. Banswara Syntex Ltd. as per Article 27.7d.
4. To elect a member to the Committee of Administration in place of Shri Ravindra Arya (SSI) who retires by rotation and is eligible for re-election.
5. To elect a member to the Committee of Administration in place of Shri Sri Narain Aggarwal (SSI) who retires as per Article 27.7d.
6. To elect a member to the Committee of Administration in place of Shri S.K.Khandelia (Status Holder) who retires by rotation and is not eligible for re-election as per Article 27.7 d.
7. The seat in the (Status Holder) category is reserved for Shri Ronak Rughani who retires by rotation. (The seat is reserved as per Article 27.7d. being the Chairman of the Council)
8. To elect a member to the Committee of Administration in place of Shri Anil Kumar Gupta (Status Holder) who retires by rotation and is eligible for re-election.
9. To elect a member to the Committee of Administration in place of Shri Sanjay Kumar Verma (General ) who retires by rotation and is eligible for re-election.
10. To elect a member to the Committee of Administration in place of Shri Bhalesh R. Mehta (General ) who retires by rotation and is eligible for re-election.
11. The seat in the (General) category is reserved for Shri Dhiraj Raichand Shah who retires by rotation and is eligible for re-election. (The seat is reserved as per Article 27.7d being the Vice-Chairman of the Council)
12. To elect a member to the Committee of Administration in place of Shri Ahmed Abdul Sattar Khatri (Merchant Exporter ) who retires by rotation and is eligible for re-election.
13. To elect a member to the Committee of Administration in place of Shri Sailesh Goenka (Merchant Exporter ) who retires by rotation and is eligible for re-election
14. To appoint Auditors from the conclusion of the meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

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: 2<sup>nd</sup> August, 2019

## DESIGNATED HEADS OF THE SRTEPC



### SHRI RONAK RUGHANI – CHAIRMAN SRTEPC

Shri Ronak Rughani, Joint Managing Partner, M/s. Rughani Brothers, Mumbai took charge as the Chairman of The Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) in March 2019. 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 promotion activities of the Council. A charismatic and visionary leader, Shri Rughani, at 41 is the youngest Chairman of an Export Promotion Council in India.

He is a commerce graduate with a post graduate Diploma in Family Business (FMBA) from NMIMS, Mumbai.

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 25 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 Ronak Rughani has deep knowledge and insights of production processes spanning the entire textile value chain right from fibre to fabric to fashion.

### SHRI DHIRUBHAI SHAH – VICE-CHAIRMAN (CHAIRMAN ELECT) SRTEPC

Shri Dhirubhai Raichand Shah, Managing Director of Fairdeal Group, Surat has been elected as Vice Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) in March 2019. Shri Dhirubhai Raichand Shah, a graduate in Commerce with Adv. Accountancy & Auditing, was the Regional Chairman, Surat. During his tenure as the Regional Chairman, Surat, Shri Dhirubhai Shah was actively representing the issues concerning exports of MMF textiles in Surat region especially the twin issues hurting the MMF textile exporters i.e. GST and increasing imports of MMF textiles from China.



The Fairdeal Group entered the textile business in 1984 with 12 traditional power looms and over a period of time had organic growth through forward and backward integration and today is having a complete integrated manufacturing set-up from various value additions in yarns to manufacturing of fabric. The group is a leading manufacturer of Man-made fabrics and is also engaged in developing industrial parks and created milestone in developments of Textile Park in Surat District. The group has two major companies i.e. Fairdeal Filaments Ltd. & Shahlon Silk Industries Ltd., both Government recognized "Export Houses". The Group had a turnover of Rs.500 + crores during FY 2017-18.

Shri Shah was an Active Member of various Association/Boards such as South Gujarat Texturisers Association, Surat, Excise – Regional Advisory Committee, Development Council for Textile Industries (Ministry of Commerce and Industries – Govt. of India) 2001-03 and Textile Working Group of Gujarat – State Govt. 2001-02. He is a Co-opted Member of Managing Committee of South Gujarat Chamber of Commerce & Industry, Surat (SGCCI), Member of Confederation of Indian Industry (CII), Mentor of The South Gujarat Yarn Dealer Association (SGYDA)



### SHRI SRI NARAIN AGGARWAL, IMMEDIATE PAST CHAIRMAN, SRTEPC

Shri Sri Narain Aggarwal, Managing Director of Prafful Group of Industries, Surat was unanimously elected as the Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) for a period of two years (February 2017 to March 2019). Shri Aggarwal is a long standing Member of the Committee of Administration of the Council (SRTEPC).

During his tenure as Chairman of the Council, Shri Aggarwal 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 Aggarwal has more than 30 years of experience in the textile field having been looking after the operational and financial aspect of the Prafful Group. He is the main co-ordinator for implementing of new projects of the group.

Shri Aggarwal 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 the Regional Advisory 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.



## EXPORT PERFORMANCE

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

Exports of Indian MMF textiles during April-March 2018-19 were US\$ 6138.57 million against US\$ 6024.08 million during the same period of the previous year showing a growth of nearly 2%.

Product	Unit	in Quantity (Thousand)		% Change Apr-Mar 2018-19	In Value USD Mn		% Change Apr-Mar 2018-19
		Apr-Mar 2017-18	Apr-Mar 2018-19		Apr-Mar 2017-18	Apr-Mar 2018-19	
Fabrics	Kgs	79189.89	86462.02	9.18	1995.76	1959.10	-1.84
	Sqm	1639643	1825800.71	11.35			
Yarn	Kgs.	1003843	982715.07	-2.10	1950.82	2035.89	4.36
Made-ups	Kgs.	311915	358099.8	14.81	1490.69	1572.78	5.51
	Nos.	103868.2	94921.3	-8.61			
	Sqm	186.92	311.4	66.60			
Fibre	Kgs.	382863.7	370172.58	-3.31	586.81	570.8	-2.73
<b>Total</b>					<b>6024.08</b>	<b>6138.57</b>	<b>1.90</b>

Source: DGCI&S, MoC

#### HIGHLIGHTS

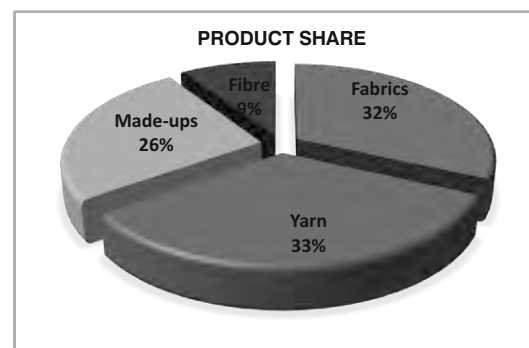
- Overall exports in April-March 2018-19 in value terms were US\$ 6138.57 million against US\$ 6024.08 million, witnessing a growth of 1.90% as compared to the same period of the previous year.
- Exports of Indian MMF Fibre and Fabrics witnessed a 2.73% and 1.84% decline respectively during 2018-19 as compared to the same period of the previous year.
- Exports of yarn dominated with 33% share followed by fabrics 32%, Made-ups 26% and fibre 9% in the Indian MMF textile exports.
- Share of the value-added segments like fabrics and Made-ups have increased around 58% of total exports.
- Other segments witnessed positive growth in exports like Made-ups 5.51% and Yarn 4.36%.
- In the fabrics segment Synthetic Filament Fabrics (US\$ 663.91Mn) was the top exported product in India's MMF textile exports followed by Polyester Filament Fabrics (US\$ 382.15 Mn) during 2018-19.
- Viscose Filament Fabrics and Nylon Filament Fabrics exports have been excellent with 46.26% and 51.93% growth.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth US\$ 1197.49Mn followed by Polyester Cotton Yarn (US\$ 192.24 Mn), Polyester Spun Yarn (US\$ 158.11 Mn).
- In Made-ups, exports of Bulk Containers were the leading item with exports worth US\$ 734.94 Mn followed by Shawls/Scarves US\$ 123.76 Mn, Motifs US\$ 78.07, Muffler and fishing net worth US\$ 64.70 Mn and US\$ 63.81 Mn respectively.

## EXPORT PERFORMANCE

- Polyester Staple Fibre (US\$ 321.56 Mn) was the leading item in the MMF category followed by Viscose Staple Fibre (US\$ 172.16 Mn).
- USA was the leading market for Indian MMF textiles during April-March 2018-19 with 10% share in total exports followed by Turkey 8% and Bangladesh 6%.
- Leading markets with positive growth are Egypt (14.60%), Sri Lanka (10.37%), UK (9.16%) and Bangladesh (2.69%).
- Bangladesh, UAE, and USA were the leading markets for Indian MMF Fabrics, but Bangladesh has witnessed a decline of 13.17% during April-March 2018-19 as compared to the same period of last year.
- USA was also leading market for Indian MMF Made-ups and fibre during the period.
- Major markets for Indian MMF yarn were Turkey and Brazil.
- Made-ups exports to Bangladesh showed an impressive growth rate (151.15%)

### PRODUCT SHARE

During April-March 2018-19, dominated products in the Indian MMF textiles export basket was Yarn accounting for a share of 33% followed by Fabrics 32%, Made-ups 26% and Fibre 9%.



### FABRICS

Exports of Synthetic Filament Fabrics and Polyester Filament Fabrics dominated with a share of 34% and 20% respectively. The major items of export in this segment were Saree, Shirtings, Suiting, Narrow woven Fabrics, Tyre cord fabrics, Parachute Fabrics and Umbrella Cloth. Export of fabrics like Nylon Filament fabrics has registered significant growth of 51.93%.

Value in US\$ Million

Product Description	Apr-Mar 2017-18	Apr-Mar 2018-19	% Grw/Decline
<b>Fabrics (woven, knitted)</b>			
Synthetic Filament	550.72	663.91	20.55
Polyester Filament	452.07	382.15	-15.47
Polyester Viscose	322.51	300.60	-6.79
Polyester Blended	127.22	89.42	-29.71
Synthetic Cotton	46.44	48.13	3.64
Polyester Cotton	40.21	42.95	6.81
Polyester Wool	44.79	39.30	-12.26
Nylon Filament	22.76	34.58	51.93
Viscose Spun	81.88	29.67	-63.76
Viscose Filament	18.31	26.78	46.26
Viscose Blended	42.06	25.55	-39.25
Other Fabrics	246.76	276.06	11.87
<b>Total Fabrics</b>	<b>1995.73</b>	<b>1959.10</b>	<b>-1.84</b>

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

## EXPORT PERFORMANCE

### YARN

In the yarn segment, there is a growth of nearly 4.36 % during 2018-19. Polyester Filament yarn continues to be the main export items with exports of USD 1197.49 Mn. followed by Polyester Cotton Yarn at USD 192.24 Mn, Polyester Spun yarn USD 158.11 Mn. Exports of Nylon Filament yarn had witnessed significant growth of 41.41%.

Value in US\$ Mn

Products	Apr-Mar 2017-18	Apr-Mar 2018-19	% Grw/Decline
Polyester Filament	1125.45	1197.49	6.40
Polyester Cotton	172.44	192.24	11.48
Polyester Spun	162.62	158.11	-2.77
Polyester Viscose	144.96	128.22	-11.55
Viscose Spun	75.01	70.1	-6.55
Viscose Filament	52.61	48.64	-7.55
Synthetic Spun	39.43	47.79	21.20
Acrylic Spun	45.91	44.6	-2.85
Nylon Filament	19.46	27.52	41.42
Polyester Wool	27.38	19.58	-28.49
Artificial Cotton	10.12	16.07	58.79
Viscose Cotton	11.51	10.77	-6.43
Nylon Spun	1.57	1.66	5.73
Other Yarn	62.35	73.1	17.24
<b>Total Yarn</b>	<b>1950.82</b>	<b>2035.89</b>	<b>4.36</b>

### MADE-UPS

Export of Indian MMF Made-ups witnessed a growth of nearly 5.51% during 2018-19 as compared to the previous year. In Made-ups, exports of Bulk Containers was the leading item with exports worth US\$ 734.94 Mn followed by Shawls/Scarves and Muffler worth US\$ 123.76 Mn and US\$ 78.07 Mn respectively. USA was the leading market for Indian MMF Made-up during 2018-19.

Value in US\$ Mn

Products	Apr-Mar 2017-18	Apr-Mar 2018-19	% Grw/Decline
Bulk Containers	602.75	734.94	21.93
Shawls/Scarves	111.05	123.76	11.45
Motifs	81.67	78.07	-4.41
Muffler	111.03	64.7	-41.73
Fishing Net	53.21	63.81	19.92
Bedsheet	19.79	34.83	76.00
Blanket	33.49	29.18	-12.87
Rope	25.25	28.31	12.12
Sacks and Bags	17.03	21.6	26.83
Furnishing Articles	12.98	17.17	32.28
Bed Linen	21.69	17.06	-21.35
Tulles	11.36	14.9	31.16
Other Made-ups	389.39	344.45	-11.54
<b>Total Made-ups</b>	<b>1490.69</b>	<b>1572.78</b>	<b>5.51</b>

## EXPORT PERFORMANCE

### FIBRE

Exports of Indian Manmade Fibre declined by nearly 2.73% during 2018-19 as compared to the previous year. However, Polyester Staple Fibre (US\$ 321.56 Mn) was the main fibre in total exports followed by Viscose Staple fibre (US\$ 172.16Mn) and Acrylic Staple fibre (US\$ 42.09 Mn).

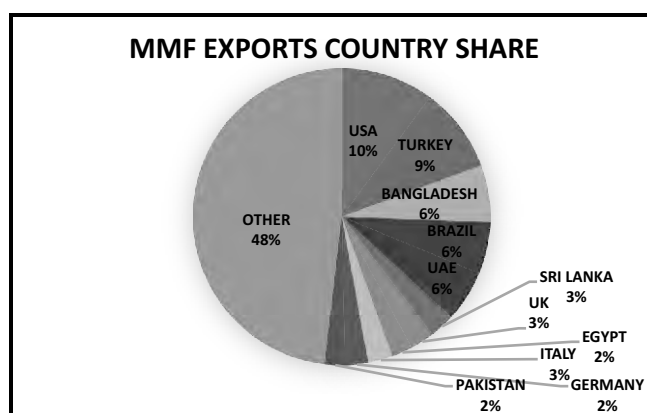
Value in US\$ Mn

Products	Apr-Mar 2017-18	Apr-Mar 2018-19	% Grw/Decline
Polyester Staple	262.62	321.56	22.44
Viscose Staple	269.89	172.16	-36.21
Acrylic Staple	31.12	42.09	35.25
Other Fibre	23.18	34.99	50.95
<b>Total Fibre</b>	<b>586.81</b>	<b>570.8</b>	<b>-2.73</b>

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

### LEADING MARKETS

The USA continued to be the major export destination in 2018-19 for exports of MMF textiles from India with a share of 10% followed by Turkey and Bangladesh with shares of 9% and 6% respectively. Exports to Egypt during 2018-19 increased by 14.60%. Exports to Sri Lanka ranked 6<sup>th</sup> during 2018-19 increased by 10.37%.



### LEADING MARKETS

Value in US\$ Mn

Sr. No.	Markets	April-March 2017-18	April-March 2018-19	Net Change	% Change
1	USA	627.76	649.76	22.00	3.50
2	TURKEY	576.21	491.66	-84.55	-14.67
3	BANGLADESH	386.20	396.60	10.40	2.69
4	BRAZIL	348.09	322.62	-25.47	-7.32
5	UAE	377.45	311.54	-65.91	-17.46
6	SRI LANKA	170.45	188.12	17.67	10.37
7	UK	162.81	177.72	14.91	9.16



## EXPORT PERFORMANCE

8	EGYPT	140.10	160.55	20.45	14.60
9	ITALY	166.08	159.52	-6.56	-3.95
10	GERMANY	156.43	155.40	-1.03	-0.66
11	PAKISTAN	135.79	123.85	-11.94	-8.79

### MAJOR MARKETS FOR MMF FABRICS

Value in US\$ Mn

Markets	April-March 2017-18	April-March 2018-19	Net Change	% Change
BANGLADESH	227.16	197.24	-29.92	-13.17
UAE	211.94	172.67	-39.27	-18.53
USA	164.34	169.75	5.41	3.29
SRI LANKA	139.64	155.09	15.45	11.06
UK	61.49	70.00	8.51	13.84
PAKISTAN	62.94	56.87	-6.07	-9.64
EGYPT	37.8	41.66	3.86	10.21
ITALY	25.19	27.44	2.25	8.93
TURKEY	13.45	13.45	0.00	0.00
GERMANY	14.58	12.6	-1.98	-13.58

### MAJOR MARKETS FOR MMF YARN

Value in US\$ Mn

Markets	April-March 2017-18	April-March 2018-19	Net Change	% Change
TURKEY	487.99	433.91	-54.08	-11.08
BRAZIL	322.27	295.57	-26.70	-8.28
BANGLADESH	103.41	129.95	26.54	25.66
EGYPT	85.3	99.62	14.32	16.79
USA	65.79	87.65	21.86	33.23
PAKISTAN	31.45	41.94	10.49	33.35
ITALY	25.68	28.1	2.42	9.42
GERMANY	23.58	25.66	2.08	8.82
SRI LANKA	21.23	23.61	2.38	11.21
UAE	17.57	15.61	-1.96	-11.16
UK	13.87	12.83	-1.04	-7.50

## EXPORT PERFORMANCE

### MAJOR MARKETS FOR MMF MADE-UPS

Value in US\$ Mn

Markets	April-March 2017-18	April-March 2018-19	Net Change	% Change
USA	308.66	317.96	9.30	3.01
UAE	146.96	119.55	-27.41	-18.65
GERMANY	104.5	103.17	-1.33	-1.27
UK	84.15	93.05	8.90	10.58
ITALY	94.35	91.07	-3.28	-3.48
BANGLADESH	8.23	20.67	12.44	151.15
PAKISTAN	24.97	15.49	-9.48	-37.97
SRI LANKA	9.52	9.29	-0.23	-2.42
TURKEY	9.18	6.66	-2.52	-27.45
EGYPT	4.38	5.43	1.05	23.97
BRAZIL	6.19	4.55	-1.64	-26.49

### MAJOR MARKETS FOR MMF FIBRE

Value in US\$ Mn

Markets	April-March 2017-18	April-March 2018-19	Net Change	% Change
USA	88.97	74.4	-14.57	-16.38
BANGLADESH	47.4	48.74	1.34	2.83
TURKEY	65.59	37.64	-27.95	-42.61
BRAZIL	12.56	15.43	2.87	22.85
GERMANY	13.77	13.97	0.20	1.45
EGYPT	12.62	13.84	1.22	9.67
ITALY	20.86	12.91	-7.95	-38.11
PAKISTAN	16.43	9.55	-6.88	-41.87
UAE	0.98	3.71	2.73	278.57
UK	3.3	1.84	-1.46	-44.24

### MEMBERSHIP

The Council had 2447 members as on 31<sup>st</sup> March, 2019.

## MEETINGS

### **Committee of Administration**

The Committee of Administration held 4 Meetings in which the progress of export performance of the synthetic and rayon textiles was reviewed, problems hurting the growth of exports were identified, issues connected with export-import policies and procedures were examined and suitable measures for increasing exports were suggested. Besides advising steps to remove the hurdles in export activities, the Committee also suggested action plans for achieving the export target. The Committee examined the various problems faced by the exports especially concerning GST and import from China and other matters such as export assistance schemes, duty drawback, excise and customs, etc. and advised suitable measures to overcome those.

### **Meeting with Additional Secretary, PMO**

The then Chairman along with the Executive Director had a Meeting with Shri Tarun Bajaj, Additional Secretary, Prime Minister's office on 4<sup>th</sup> December 2018 to discuss various issues relating to the MMF segment which were hampering the exports of MMF textiles. The matters taken up during the Meeting were GST issues due to inverted duty structure, ITC accumulation, refund of IGST, GST on capital goods, refund of input tax credit availed on input services, non-refund of state levies of electricity, fuel, etc., need to protect Indian MMF textile segment in view of cheap imports from China, etc. Shri Bajaj gave a patient hearing. During the Meeting it was decided that a Delegation from SRTEPC would Meet the new Revenue Secretary who has taken over recently and submit all these issues before him. He assured that he would also brief the Revenue Secretary about the above issues pertaining to the MMF textiles. He further assured that he would also discuss the issues with the concerned officials/authorities of Ministry of Textiles in this regard.

### **Meeting with the Hon'ble Finance Minister**

The then Chairman had a Meeting with the Hon'ble Finance Minister, Shri Piyush Goyal on 27<sup>th</sup> May 2018 to submit a memorandum requesting to consider urgent payment of GST, IGST and ITC, examine ROSL Scheme, Extn. Of MEIS scheme etc. The Hon'ble Finance Minister assured to meet with the affected small units in connection with ITC refund. He also assured that the Govt. officers would examine and process further rebate of duty on electricity levied by state Govt. Rebate of taxes on fuel.

### **Board of Trade Meeting**

Shri Anil Rajvanshi, Former Chairman represented the Council at the Board of Trade Meeting chaired by the then Hon'ble Union Minister of Commerce & Industry held in New Delhi on 15<sup>th</sup> February 2019. The Meeting was attended by the Commerce Secretary, Secretary DPIIT, DGFT, Secretaries and Senior officials of the other Ministries including Finance, all major trade and industry bodies, Export Promotion Councils and stake holders. On the occasion the then Hon'ble Minister launched a new online 'Anytime-Anywhere' export awareness course to train and mentor and hand-hold potential exporters so as to help them to tap international trade opportunities. This online course is funded under the Niryat Bandhu Scheme of DGFT in collaboration with the Indian Institute of Foreign Trade, New Delhi. Shri Prabhu also launched a Mobile App of DGFT wherein exporters can now log their grievances, apply for various licenses, view their status using this app, besides accessing information about latest trade notices, circulars, Foreign Trade Policy and trade Fairs. Shri Rajvanshi put forth the issues and problems being faced by the Indian MMF textile industry.

### **Meeting with Hon'ble Union Minister of Commerce & Industry**

The then Vice Chairman and Executive Director met the then Hon'ble Union Minister of Commerce & Industry and Civil Aviation, Shri Suresh Prabhu at an Interactive Session for Merchant Exporters in Specific and exporters in general on 11<sup>th</sup> May 2018 in Mumbai. The then Vice Chairman put forth representations concerning the MMF textile industry before the then Hon'ble Minister. Copies of the representations were also handed over to Shri Ajai Sahai, Director General & CEO, FIEO for their kind consideration and action.

The then Chairman, the then Vice Chairman and Executive Director met Shri Suresh Prabhu, the then Hon'ble Union Minister of Commerce & Industry and Civil Aviation on 8<sup>th</sup> October 2018 and apprised him on issues related to Export Promotion and GST for MMF textile segment. For having due consideration on these issues, the then Hon'ble Commerce Minister called Shri Amitabh Dwivedi, Deputy Secretary, Department of Commerce and suggested him to follow up the matters with DoC, GST Council and DIPP for appropriate action.

Executive Director and Regional Director, New Delhi attended the meeting chaired by the then Hon'ble Union Minister of Commerce & Industry, Shri Suresh Prabhu on "Strategy for revitalizing India's Exports" on 27<sup>th</sup> August 2018 in New Delhi. The



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Commerce Secretary welcomed the participants and briefed them about the objective of the meeting. The then Hon'ble Union Minister of Commerce & Industry asked all the EPCs to prepare export strategy for the current year and next 2-3 years with a view to increase exports. He said that we should be realistic and clear about the strategy. He said that each EPC should prepare short term and long term strategies country-wise and product-wise. A brief presentation was done by the representative of DGFT about the export strategy for different sectors including Textiles & Apparels highlighting the need for diversification of export markets and diversification of T&A exports etc.

### **Meeting with the Hon'ble Union Minister of Textiles**

The then Chairman had a Meeting with the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani on 27<sup>th</sup> May 2018 to submit a memorandum requesting to consider urgent payment of GST, IGST and ITC, examine ROSL Scheme, Extn. of MEIS scheme etc.

The then Chairman, the then Vice Chairman, and Executive Director, Shri S. Balaraju met Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles on 8<sup>th</sup> October 2018 and apprised her on issues related to Export Promotion and GST for MMF textile segment. The Hon'ble Minister assured that all possible co-operation will be extended by the Ministry of Textiles to sort out the above issues and promote exports of MMF textiles.

The then Chairman, Shri Anil Rajvanshi, immediate past Chairman and Shri Dhiraj Shah met with Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles; Ms. Aditi Das Rout, Trade Advisor & Smt. Babni Lal, Economic Advisor on 12<sup>th</sup> June 2018 to place the grievances faced by MMF textile exporters in connection with refund of IGST on Capital goods, inverted duty and increase in effective duty before them. The matter of removal of disparity in taxes in respect of MMF sector was also discussed with Trade Advisor. The matter regarding refund of IGST on Capital Goods was discussed with Economic Advisor. It was advised that a one page note regarding embedded tax and other than embedded tax be sent to the Trade Advisor. Also export strategy/sectoral action plan to be sent to the Trade Advisor. The Economic Advisor has requested for export data on the lines it was furnished to Trade Advisor to examine the matter on refund of IGST on Capital Goods.

Executive Director attended meeting of the IMSC on ATUFS chaired by the Hon'ble Union Minister of Textiles on 27<sup>th</sup> February 2019 in New Delhi. During the meeting progress of ATUFS was reviewed apart from discussion on various proposals recommended by the TAMC such as issues relating to extension of timeline for JIT request beyond two years for RRTUFS, inclusion of stand-alone embroidery units under ATUFS, and industry grievances regarding rejection of subsidy claims due to absence of machine serial numbers for imported machinery etc.

The then Chairman, the then Vice Chairman and Executive Director met the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani and the Trade Advisor, Smt. Aditi Das Rout on 16<sup>th</sup> January 2019, and submitted representation on the GST issues and also requested to expedite the proposed study on MMF.

### **Meetings with Commerce Secretary**

The then Vice Chairman and Executive Director met the then Commerce Secretary, Ms. Rita Teatota at an Interactive Session for Merchant Exporters in Specific and exporters in general organized by FIEO on 11<sup>th</sup> May 2018 in Mumbai. The then Vice Chairman put forth representations concerning the MMF textile industry before the Hon'ble Commerce & Industry Minister and the Commerce Secretary.

Executive Director and Regional Director, New Delhi attended a meeting on 5<sup>th</sup> February 2019 in New Delhi chaired by Dr. Anup Wadhawan, Commerce Secretary regarding slowing down of growth of exports in various sectors. The Director General of Foreign Trade, other senior officers of the Deptt. of Commerce and DGFT were also present apart from representatives of the EPCs. The Commerce Secretary informed that the exports were doing reasonably well during the last 3-4 years but have been declining for the last three months. He requested all concerned to cooperate with the Deptt. of Commerce to increase exports. He advised the Councils to work in a concerted manner and ask their members to make an all out effort to increase exports.

Joint Director (Branding) and Regional Director, New Delhi attended meeting of the Empowered Committee on 28<sup>th</sup> February 2019 to consider MAI proposals for the year 2019-20 recommended by the Sub-Committee. The meeting was chaired by Dr. Anup Wadhawan, Commerce Secretary.

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### Meeting with Secretary (Textiles)

Executive Director and Regional Director, New Delhi attended a Meeting on Export Performance Review and Fixation of target for 2018-19 chaired by the then Secretary (Textiles) in New Delhi on 19<sup>th</sup> June 2018. At the Meeting the Executive Director pointed out variation in the export figures in respect of MMF textile exports in the presentation by MoT. He also informed about the proposed target for MMF Textiles which was US\$6,600 Million. The then Secretary (Textiles) has advised to reconcile the same with the Export Division of the Ministry.

A SRTEPC Delegation consisting of the then Chairman; the then Vice Chairman; Shri Dhirubhai Shah, the then Regional Chairman, Surat; Shri Dinesh Kumar Modi; Shri Amit Damani, Reliance Industries Ltd.; Shri Vikas Ladia and the Executive Director, Shri S. Balaraju had an Interactive Meeting with Shri Raghvendra Singh, Secretary (Textiles) on 18<sup>th</sup> November 2018 at the office of Textiles Committee, Mumbai. Ms. Aditi Das Rout, Trade Advisor, Ministry of Textiles was also present at the Meeting. The Chairman made a power point presentation on the status of the MMF segment, strengths of the MMF textile industry, role of the SRTEPC, MMF textile exports, director of trade, leading markets, role of Government, current challenges, etc. The Secretary (Textiles) was supportive and genuinely concerned about the issues hindering exports of MMF textiles. He assured that he would look into the matter and try to resolve issues which needed immediate attention.

The then Chairman and Executive Director, Shri S. Balaraju met Shri Raghvendra Singh, Secretary (Textiles) on 4<sup>th</sup> December 2018 to brief him about the meeting held with Shri Tarun Bajaj, PMO. Besides the then Chairman also requested the Secretary Textiles to take up the matter of cheap imports from China with the concerned authorities to protect the Indian MMF textile segment. He also requested the Secretary (Textiles) to expedite the proposed study on MMF pending for approval of the Ministry with the request that it may assigned to a professional agency already selected by the Selection Committee headed by Textile Commissioner as its needs authentic data for the growth of the MMF segment.

Executive Director attended a Meeting chaired by the then Secretary Textiles on 5<sup>th</sup> April 2018 in New Delhi To discuss the impact of WTO regulation on India's Textiles Exports. R&D, regional and environmental development schemes aimed only at exporters of a sector are not WTO compatible. ROSL is a WTO compatible scheme and may be enhanced to cover embedded tax. Advance authorisation Scheme is also WTO compatible, however a strong verification system needs to be put in place to avoid excess subsidy. MEIS and EPCG are not WTO compatible and hence will have to be phased out.

Executive Director and Regional Director, New Delhi attended a Meeting on Export Performance Review and Fixation of target for 2018-19 chaired by the then Secretary (Textiles) in New Delhi on 19<sup>th</sup> June 2018. At the Meeting the Executive Director pointed out variation in the export figures in respect of MMF textile exports in the presentation by MoT. The target proposed for MMF Textiles was US\$6,600 Million. The Secretary (Textiles) has advised to reconcile the same with the Export Division of the Ministry.

Regional Director, New Delhi attended a Meeting under chairmanship of Shri A. K. Singh, the then Secretary (Textiles), on 21<sup>st</sup> May, 2018 to discuss about the 2<sup>nd</sup> meeting of the Steering Committee on Technotex 2018 in the Ministry of Textiles- An International Exhibition-cum-conference on Technical Textiles.

The then Chairman along with Executive Director and Regional Director, New Delhi met Secretary (Textiles) on 4<sup>th</sup> September 2018 to congratulate him on his taking up the new assignment. The Chairman also briefed him about the MMF textile industry and gave a representation about various pending issues relating to the MMF segment. The Secretary (Textiles) assured that he will look into those issues.

The then Chairman, Executive Director and Regional Director, New Delhi attended meeting on Outreach Programmes-Festival of Indian Textiles, USA held under the Chairmanship of Secretary (Textiles) on 4<sup>th</sup> September 2018 in New Delhi. Secretary (Textiles) informed that the 150<sup>th</sup> Anniversary of Mahatma Gandhi is being celebrated in the next 24 months and in this connection various programmes are to be organised like Festival of Indian Textiles in USA, World Congress of Indian Handlooms & Handicrafts, Handlooms & Handicrafts Shivars, and similar activities in the North East.

The then Chairman along with Shri Anil Rajvanshi and Shri Rahul Mehta met Shri Raghvendra Singh, Secretary (Textiles) on 24<sup>th</sup> December 2018 and discussed with him the issue regarding increase in the effective rates of Customs Duty on MMF textiles and protect the domestic manufacturers from cheap imports from China and other countries.

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The then Chairman and Regional Director, New Delhi attended a briefing meeting on 7<sup>th</sup> February 2019 chaired by the Secretary (Textiles) in the Ministry of Textiles regarding visit of High Level Delegation to Japan during 14-18 February, 2019. Ms. Aditi Das Rout, Trade Advisor apprised the participants about the agenda/programme of delegation during visit to Japan. Secretary (Textiles).

The then Chairman and Regional Director, New Delhi attended the Meeting on GST/IGST/double taxation on ocean freight, increase in effective duty on fibre, yarn etc., chaired by the Secretary (Textiles) in New Delhi on 29<sup>th</sup> June 2018. During the Meeting Issues related to GST, refund of IGST, double taxation on ocean freight, denial of refund of input tax and simplification of form ITC-04 and increase in effective duty on yarn were discussed. The Secretary (Textiles) also advised Economic Advisor to send the copies of letters submitted by Chairman to Department of Revenue for comments. With regard to ITC refund at weaving stage, the Secretary (Textiles) has asked for details as to how it affects the small weavers along with examples/calculations. It was also suggested that a write-up indicating on how the figure of Rs. 436 Crore ITC accumulation refund was calculated and the number of units from whom the data was collected to be sent to the Secretary (Textiles).

The then Chairman and ED attended the Finalisation of Third party report by NABCONS under TUFS chaired by the Secretary Textiles in New Delhi on 19<sup>th</sup> April 2018 NABCONS to meet TXC on 26<sup>th</sup> April, 2018 and resolve the cases where there was difference of opinion. If any case remains unresolved the same to be brought to the notice of Secretary (Textiles).

The then Chairman and Regional Director, New Delhi attended the Meeting on GST/IGST/double taxation on ocean freight, increase in effective duty on fibre, yarn etc., chaired by the Secretary (Textiles) in New Delhi on 29<sup>th</sup> June 2018. During the Meeting Issues related to GST, refund of IGST, double taxation on ocean freight, denial of refund of input tax and simplification of form ITC-04 and increase in effective duty on yarn were discussed. The Secretary (Textiles) also advised Economic Advisor to send the copies of letters submitted by Chairman to Department of Revenue for comments. With regard to ITC refund at weaving stage, the Secretary (Textiles) has asked for details as to how it affects the small weavers along with examples/calculations. It was also suggested that a write-up indicating on how the figure of Rs. 436 Crore ITC accumulation refund was calculated and the number of units from whom the data was collected to be sent to the Secretary (Textiles).

### **Meeting with Secretary (Chemicals & Petrochemicals)**

The then Chairman and Executive Director met Shri P. Raghavendra Rao, Secretary (Chemicals & Petrochemicals) on 4<sup>th</sup> December 2018 and discussed with him issues relating to protection of Indian MMF textile segment, inverted duty structure and non-coverage of MMF segment under ATUFS. The Secretary (C & P) informed that he would like to examine the issues closely and accordingly take up the same with the Revenue Secretary for duly addressing it.

The then Chairman, the then Vice Chairman and Executive Director met Shri Raghvendra Rao, Secretary (Chemicals & Petrochemicals) on 16<sup>th</sup> January 2019 in New Delhi and made a presentation on GST anomalies for MMF textiles, protection to domestic manufacturers of MMF textiles and a separate scheme for development of Man-made fibres and filaments.

### **Meeting with Secretary (Shipping)**

Shri Anil Rajvanshi, immediate past Chairman and the Regional Director, New Delhi attended a Meeting chaired by Shri Gopal Krishna, Secretary (Shipping), Ministry of Shipping on 27<sup>th</sup> July 2018. Matter regarding double taxation on ocean freight were discussed. The Secretary assured to consider the issue positively.

### **Meetings with High Level Drawback Committee**

Regional Director, New Delhi met the Drawback Committee on 4<sup>th</sup> June, 2018. During the Meeting it was informed by the Committee that the information presented to the Committee by the Council on the issue of duty drawback is not supported by the basic data. Therefore, requisite supporting data may be made available. The Committee also informed about their visit to the Units in Surat tentatively during 10-12 June, 2018.

The members of the Drawback Committee viz. Shri Gautam Ray and Shri Y. G. Parande along with Shri Anand Kumar Jha, Under Secretary (Drawback) visited the factory premises of some of Council's members based in Surat on 11<sup>th</sup> June 2018 to take stock of the situation of textile manufacturers for appropriate revision of the existing duty drawback rates. Officers from GST Commissionerate, Surat also accompanied the Drawback Committee. Shri Sri Narain Aggarwal, Chairman, SRTEPC Shri Dhiraj Raichand Shah of M/sFairdeal Filaments Ltd, Surat and Shri Bhalesh R. Mehta of M/s. Rachna Art Prints, Surat played hosts at the visit. The Executive Director and Assistant Director (ES) were also present at the Meeting. During the



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Meeting the members of the Drawback Committee interacted with MMF Fabric weavers. The companies presented their data before the Drawback Committee which was found to be incomplete, therefore the Drawback Committee advised the companies to send the updated data for taking necessary decision.

A SRTEPC Delegation headed by the then Chairman, the then Vice Chairman; Shri Subhash Goyal, CoA member; Shri S. Balaraju, Executive Director and other officials of the Council had a Meeting with the Drawback Committee on 9<sup>th</sup> August 2018. The Committee was chaired by the Chairman of the Committee Shri G. K. Pillai and the other members were Shri Gautam Ray, Shri Y. G. Parande, and Shri Anand Kumar Jha, Under Secretary (Drawback). The then Chairman made a detailed presentation which included the profile of the Council, overview of MMF textile industry, export performance, issues affecting the growth of MMF exports, duty structure, Drawback calculation for various product lines, etc. The presentation concluded with the then Chairman recommending appropriate high drawback rates across the MMF textile products. The Drawback Committee gave a patient hearing to all issues raised by the Council and informed that the issues mentioned by the Council would be suitably recommended to the concerned authorities for consideration.

The then Chairman, the then Vice Chairman and Executive Director had a meeting with the Chairman and members of Duty Drawback Committee and submitted a representation & given Power Point Presentation for higher rates for MMF textiles on 16<sup>th</sup> January 2019.

RD, New Delhi attended a meeting of the Drawback Committee on 8<sup>th</sup> February 2019 which was chaired by Shri N.K.Sinha, Joint Secretary. Shri Sinha informed that this is an informal meeting convened to know the views of the Council about the issues relating to the Committee as they have to start the process for finalising duty drawback rates for the year 2019-20 and as also to know the reasons for decline in exports. RD raised the issues relating to Inverted Duty Structure (ITC accumulation), increase in duty drawback rates, extension of ROSL benefits to fabrics and yarn, and increase in effective rates of customs duty. With regard to rationalising of the GST rates on fibre, yarn and fabrics on the lines of cotton segment, Shri Sinha said that they have allowed refund of ITC accumulation due to the inverted duty structure which is being streamlined. With regard to increase in duty drawback rates, he said that they may do it but the Council should give justification in this regard to the satisfaction of the Committee. As regards ROSL, he said that the Committee has made a recommendation to the Ministry of Finance for expansion of ROSL scheme. The specific details thereof were not revealed by him.

The then Chairman, Executive Director and Regional Director, New Delhi attended a Meeting with the Drawback Committee on 26<sup>th</sup> June 2018 to discuss regarding revision of Rebate on State Levies (ROSL) for the year 2018.

### **Meeting with Joint Secretary, Ministry of Commerce & Industry**

Executive Director and Regional Director met Shri Keshav Chandra, Joint Secretary, Deptt. of Commerce on 27<sup>th</sup> February 2019 and discussed with him the issues relating to inclusion of MMF yarn and fabrics under the MEIS with enhanced rates of 5%, and for extending ROSL benefits to MM fibre, yarn and fabrics. Shri Chandra informed that the MEIS scheme is being closed and that the benefits available under the MEIS scheme will be extended under the ROSL scheme. With regard to inclusion of MM fibre, yarn and fabrics under the ROSL, he told to send a specific proposal with proper justification and calculations for consideration.

Regional Director attended a Meeting chaired by Shri Keshav Chandra, Joint Secretary, Deptt. Of Commerce on 24<sup>th</sup> January 2019 regarding increasing India's export to UAE. He also attended a Meeting chaired by the Secretary Textiles on the same day regarding curated GI Presentation event to be held on 28<sup>th</sup> January 2019 at Elephanta Caves, Mumbai.

RD, New Delhi attended meeting regarding Export Strategy for ASEAN Region chaired by Shri Rajneesh, Joint Secretary, Department of Commerce on 7<sup>th</sup> September 2018. Shri Rajneesh told that the Govt. has lot of focus on ASEAN. There are so many Agreements signed with ASEAN and that we should take benefit of these Agreements. He drew attention of the Councils to a list of top 50 items exported to ASEAN countries and sought comments on 5-6 specific items concerning other Councils.

RD, New Delhi attended meeting regarding exports of Indian textiles to Europe held under the chairpersonship of Ms. Anita Praveen, Joint Secretary, Deptt. of Commerce on 13<sup>th</sup> September 2018. Ms. Praveen told that the objective of the meeting is to increase exports to Europe. She enquired about the targets fixed by the Councils to increase the exports. RD, New Delhi furnished a copy of the export target for EU inter alia submitted by SRTEPC to the Ministry of Textiles in respect of 10 tariff lines. She requested to furnish actionable points in respect of these targets.

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Regional Director, New Delhi attended meeting chaired by Shri Rajneesh, Joint Secretary, Deptt. of Commerce on 20<sup>th</sup> August 2018 regarding Rationalization of EPCs. He informed that the IIFT made a brief presentation about the study being undertaken by them. . He told that through this study we need to have a common service delivery bench mark for the EPCs.

Joint Director (Branding) and Regional Director, New Delhi attended Sub-Committee Meetings on 27<sup>th</sup> & 28<sup>th</sup> December, 2018 held in New Delhi to consider proposals for financial assistance under the MAI Scheme for the year 2019-20. Shri Rajneesh, Joint Secretary, Deptt. of Commerce who chaired the meetings informed the participants in the beginning that the number of participants for an event should be 50 and that no proposal can be funded if the EPC is funded for the same proposal during the last three years. He said that after three years' of financial assistance for an event, the said event should be self financed by the concerned EPC. The Sub-committee also approved SRTEPC Export Promotion Programmes under the MAI Scheme for the year 2019-20.

Regional Director attended the 4<sup>th</sup> Meeting of Joint Sub Commission with Vietnam chaired by Shri Rajneesh, JS on 11<sup>th</sup> January 2019. The Joint Secretary took up the issue of high rates of duty imposed by Vietnam on the export potential MMF textile tariff lines (kept in the Sensitive List) under the India-ASEAN FTA and requested for reduction in rates of duty without giving any further concessions to Vietnam. He also requested to increase effective duty on imports of all MMF to protect domestic industry, and address issues such as reimbursement of full ITC rebate under GST, extension of ROSL scheme to export of yarn and fabrics, higher duty drawback rates and covering of all MMF textiles under MEIS. Further, he took up the issues with regard to setting up of Warehouse Facility in Vietnam.

Regional Director, New Delhi attended a meeting on 07<sup>th</sup> March 2019 regarding strategy for increasing India's export to Africa. The meeting was chaired by Shri Keshav Chandra, Joint Secretary (Africa). Shri Chandra informed that they have conducted a study on "Africa-Strategy for Export Promotion: Exploring African Market Region-wise" using scientific method. .

RD, SRTEPC, New Delhi attended a meeting on 29<sup>th</sup> March.2019 regarding strategy for increasing India's export to ASEAN. The meeting was chaired by Shri Rajneesh, Joint Secretary.

### **Meetings with Joint Secretary, Ministry of Textiles**

The then Chairman, Executive Director and RD, New Delhi met Shri A. Madhukumar Reddy, Joint Secretary (MMF), Ministry of Textiles on 4<sup>th</sup> September 2018 and briefed him about various pending issues relating to the MMF segment.

Regional Director attended a briefing Meeting convened by Shri Atul Kumar Tiwari, the new Joint Secretary, Ministry of Textiles on 2<sup>nd</sup> August 2018. The Joint Secretary informed that the Meeting was held as the Secretary (Textiles) had asked him to understand the working of the EPCs. A copy of the Memorandum and Articles of Association of the Council was handed over to Shri Tiwari. After the meeting, Executive Director and Regional Director also met Shri A.Madhukumar Reddy, Joint Secretary, Ministry of Textiles, who is incharge of MMF, and briefed him about various pending issues such as Inverted Duty structure, Accumulation of ITC, Double Taxation on Ocean Freight, IGST refund on Capital Goods etc. He assured to look into these issues.

### **Meetings with DGFT, MoC&I**

Regional Director, New Delhi attended another meeting on 13<sup>th</sup> September 2018 regarding procedural delay in issuing RCMCs held under the chairmanship of Director General of Foreign Trade. The DGFT said that the objective of the meeting is to see how are the services rendered by the Councils to the exporters. He enquired from the Councils about the details of various certificates issued by them, whether the process thereof is online, timelines for issuing the certificates categories of members of the Council and membership fee charged. RD, New Delhi intimated that SRTEPC is issuing five certificates, including RCMC, for which there is offline process.

AD (ES) and Assistant attended the 2<sup>nd</sup> Interactive Meet with Shri Alok Chaturvedi, DGFT with Export Promotion Councils and select exporters on 29<sup>th</sup> June, 2018 in Mumbai. The Meeting was held to discuss inputs and suggestions of FTP 2015-2020 which includes policy suggestions on EPCG/ EODC, proposals for new WTO compliant incentive schemes, value addition in the existing schemes and other measures to increase competitiveness of Indian exports. Issues relating to Issuance of DEPB Licence, Declaration of intent under MEIS, Shipping bills are not available for claiming rewards, Refund of pending GST/IGST refunds with interest, Clarification to the exporters on ban of plastics and many other issues were discussed during the Meeting. DGFT informed that the issues discussed at the meeting would be taken up with the concerned authorities and assured that he will come up with a quick solution.

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Regional Director attended a Meeting on 4<sup>th</sup> May 2018 under chairmanship of Shri Alok Vardhan Chaturvedi, DGFT to discuss First Meeting of the Committee for Review of EP Measures.

### Meetings with Trade Advisor

JD (MR) attended the India-Mauritius CECPA jointly chaired by Ms. Aditi Das Rout, Trade Advisor & Shri Bipin Menon, Director on 16<sup>th</sup> April 2018 in New Delhi India and Mauritius CECPA. The likely Free Trade Agreement between Mauritius and China may lead to dumping of Chinese products via Mauritius if any tariff concession is offered to Mauritius. SRTEPC suggested that Made-up items suggested by Mauritius for tariff concession may be kept in Exclusion list. Regarding Rules of Origin, it was informed that Product Specific Rules (PSRs) should be for each HS lines at 6 digit level. As India-Japan CECPA is better comparatively, it was suggested that the same may be adopted for India-Mauritius CECPA. Another meeting to be held with stake holders after consultation with MOT, MOC for finalisation of the matter.

Regional Director, New Delhi attended Meeting chaired by Ms. Aditi Das Rout, Trade Advisor, Ministry of Textiles on 30<sup>th</sup> of May 2018 to discuss the outcome of Special Package announced by the Govt. for the apparel and made-up sectors. The Trade Advisor reviewed the information/data furnished by the EPCs on the impact of Special Package towards exports, investment and employment. She asked the representatives of all the Council to intimate the incremental export, investment and employment (on ground) because of the Special Package. She also discussed the Export Strategy for 2018-19 and informed about certain products segment –wise which will be shared with the Councils through email. The EPCs were requested to prepare strategy for the current year indicating short term targets i.e. for the months of June and July, 2018 showing % increase over the corresponding period in the last year. The targets may be dovetailed with the overall targets for the year.

Regional Director, New Delhi attended a Meeting chaired by Smt. Aditi Das Rout, Trade Advisor regarding organizing an event in France on 11<sup>th</sup> January 2019. Regional Director, New Delhi also attended the 4<sup>th</sup> Meeting of Joint Sub Commission with Vietnam on 11<sup>th</sup> January 2019. During the Meeting issue of high rates of duty imposed by Vietnam on the export potential MMF textile tariff lines (kept in the Sensitive List) under the India-ASEAN FTA and requested for reduction in rates of duty without giving any further concessions in Vietnam.

Regional Director attended a Meeting on 8<sup>th</sup> May 2018 under chairmanship of Trade Advisor regarding Review of Generalized System of Preferences (GSP) status of India being undertaken by USTR.

Regional Director attended Meeting under chairmanship of Trade Advisor, Ministry of Textiles, on 30<sup>th</sup> of May 2018 to discuss the outcome of Special Package announced by the Govt. for the apparel and made-up sectors. She reviewed the information/data furnished by the EPCs on the impact of Special Package towards exports, investment and employment.

### Meeting with Reserve Bank of India

SRTEPC Delegation comprising Shri Rakesh Mehra, former Chairman; Executive Director and Asst. Director, ES, SRTEPC attended a Meeting with RBI Officials at its Headquarters on 12<sup>th</sup> December 2018. The Delegation deliberated on various issues faced by member-exporters, one of the key issues being difficulty faced by some members due to denial of payment received from Third Party/Country by Banks (selective Banks) who were not ready to clear/realize their export remittance. The RBI officials expressed concern in the matter.

### Other Meetings

#### GST related

Chairman and Regional Director, New Delhi met Shri Yogendra Garg, Addition DG (GST) on 14<sup>th</sup> May 2018 in New Delhi to discuss issues on refund of IGST on capital goods. The Chairman requested Shri Garg to take up the issue through MOT and MOC. Shri Garg also assured that the delay in Pending ROSL would be checked with the Department and expedited. It was decided to hold a Camp on GST relating to Textiles in the presence of MOT officials and send letters to CBEC on GST issues.

The then Chairman Shri Sri Narain Aggarwal, the then Vice Chairman, Shri Ronak Rughani and Executive Director, Shri S. Balaraju met Shri Yogendra Garg, Additional Director General, GST Council on 8<sup>th</sup> October 2018 to apprise him on issues related to Export Promotion and GST for MMF textile segment and requested him to take up the same with appropriate authorities and issue necessary clarifications/instructions in the interest of the MMF textile segment.



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Executive Director and Regional Director, New Delhi attended meeting with Economic Adviser, MOT on 26<sup>th</sup> June 2018 regarding GST issues/IGST on capital goods. She was requested to expedite action on the issues raised by the Council in its letters. She requested to send a note on composite mills versus decentralized sector in textile industry.

Regional Director, Delhi attended a Meeting on 22<sup>nd</sup> June 2018 with Ms. Himani Bhayana, Joint Commissioner (GST) to discuss issues relating to refund of accumulated ITC on eligible MMF textiles items, allowing ITC on non-eligible items, provision for refund of IGST on capital goods and increase in effective duty on yarn were discussed. She told that they have carried out a special drive for refund of ITC accumulations and that most of the refunds might have taken place by now. She said that if there are specific cases of delayed ITC refunds, those cases may be brought to their notice for appropriate action.

### Export Promotion related

Regional Director, New Delhi met Shri Rajiv Kumar, Under Secretary, DOC on 2<sup>nd</sup> August 2018 in connection with release of Rs. 96 lakh towards settlement of Textiles India-2017 accounts. Shri Kumar informed that the file has been processed for concurrence of IFW to inter alia release Rs. 94.24 lakh to SRTEPC.

Regional Director, New Delhi attended meeting regarding India –Korea CEPA on 25<sup>th</sup> September 2018. The meeting which was to be chaired by Shri Sanjay Chadha, Additional Secretary but was unable to take it as he was busy so Shri B. Praveen, Director conducted the meeting. He enquired about the recommendation of the Ministries/Departments and EPCs under them with respect to the tariff lines in the Korea's Wish List. With regard to MMF segment, RD, New Delhi informed that the Council has already sent its recommendations to the Ministry of Textiles on 19.09.2018. He informed that there are 50 tariff lines concerning MMF segment from serial number 227 to 280 of the Korea's Wish List (except serial numbers 269,277, 278,279). He informed that the Council has requested to shift 02 tariff lines (serial numbers 230- Terelenedacron and 255- Polyester staple fibres, plain weave) from Exclusion List to Sensitive List. He requested to shift these tariff lines accordingly which was agreed to. He requested to maintain status quo in respect of other tariff lines.

Joint Director (MR) along with Regional Director, New Delhi attended meeting regarding finalisation of PSR for textile products for ongoing RCEP negotiation on 12<sup>th</sup> October 2018. The meeting was supposed to be chaired by Shri Ajay Srivastava, Joint DGFT, DOC who could not do so due to Senior officers meeting. Shri Anand Mohan Mishra, Asstt. DGFT conducted the meeting. Shri Mishra enquired about the percentage of value addition at different stages of MMF and MMF textile products and as also the details of tariff lines where concessions may be granted. At the end, Shri Mishra said that he will send an email referring to the discussion and in response the Council may send a written reply.

### Others

Shri Anil Rajvanshi, immediate past Chairman and the Regional Director, New Delhi had a Meeting with Shri C. Chinnappa, Additional Advisor, MOT on 27<sup>th</sup> July 2018 to discuss double taxation on ocean freight. Shri Anil Rajvanshi also met Smt. Babni Lal, Economic Advisor on 27<sup>th</sup> July 2018 and discussed Inter alia the issue of double taxation on ocean freight. He also handed over the invitation for Source India- 2018.

The then Chairman and ED had a Meeting with the Textile Commissioner and Jt. Textile Commissioner on 21<sup>st</sup> April 2018 regarding Proposed study on "To promote growth of Man made Fibre Textile Industry in India. Agencies interested in bidding for the study to submit their proposal online on the e-portal of Govt. of India to the Textile Commissioner, MOT by 1st May,2018, 10.30 p.m. Necessary clarifications are issued to the proposed bidders

The then Vice Chairman of the Council participated in Textiles Show "Artisan Speak" organized by the Ministry of Textiles in New Delhi on 5<sup>th</sup> January 2019.

The then Vice Chairman attended the Outreach Event – "Accomplishments and Way Forward for Textiles Sector" and Award Ceremony "Threads of Excellence" on 6<sup>th</sup> January 2019 in New Delhi.

Executive Director had a Meeting with Textile Commissioner/Jt. Textile Commissioner on 3<sup>rd</sup> April 2018 to discuss on the proposed study on "How To Promote growth of Man-Made Textile Industry in India-Roadmap to identify gaps and suggest measures. Finalising Expression of Interest (EOI) for the study and it was published on Portal eprocess.gov.in calling for EOI from consultants.

## MEETINGS

Executive Director attended the Meeting of Textiles and Garment Committee of IMC chaired by Shri Narendra Poddar, Chairman, Textiles & Garments Committee, IMC on 13<sup>th</sup> April 2018 To discuss issues concerning the Council Issues of concern to the Council to be sent to IMC for taking up with the Govt. Requested Secretary(Textiles), Govt. of Maharashtra to consider offering incentives for MMF textiles in the state in view of present trend in consumption of MMF textiles. It was also suggested to send a representation to Govt. of Maharashtra for covering MMF Textiles also for subsidies.

Executive Director attended Meeting of Task force chaired by Special Secretary in the office of TXC on 25<sup>th</sup> April 2018 to recommend changes in the ITUFS Software The enlistment of machinery manufactures/suppliers should only be indicative and not mandatory for availing subsidy as 90% to 95% of the investment is made by the industry and in addition, the subsidy is released only after recommendation of JIT. System driven approach to be followed instead of manual scrutiny of ATUFS. Textile Commissioner to issue clarification or make necessary amendments in A-TUFS.

Joint Director (MR) attended the 6th Working Group Meeting to formulate the standards and Technical Regulations on Four identified Textile products chaired by Shri Ajit B. Chavan, Secretary, Textiles Committee on 19<sup>th</sup> April 2018.

Joint Director (Branding) attended the 1st Meeting of the Joint All India Co-ordination Committee on Textiles & Clothing sector chaired by Chairman, Textiles Committee on 18<sup>th</sup> April 2018 to discuss issues regarding the textile and clothing sector. Formation of a National level Committee on Textiles and Clothing to address common issues. Sharing of data and information through google group. Engagement with State Govts for state level issues. Preparation of status paper on textile and clothing sector. Committee decided to start working on critical issues like WTO Compliant Export incentive schemes, GST issues, Safeguard measures to prevent cheaper imports.

Executive Director and Joint Director (MR) had a Meeting with the Textile Commissioner and Jt. Textile Commissioner on 6<sup>th</sup> April 2018 to discuss about the proposed study on "How To Promote growth of Man-Made Textile Industry in India-Roadmap to identify gaps and suggest measures.

Executive Director attended Stakeholders Meeting under ATUFS chaired by the Textile Commissioner on 25<sup>th</sup> July 2018. During the Meeting discussions on modification to be carried out in the ATUFS scheme ensuring that the industry is incentivised towards high production, employment generation, develop economies and improve efficiencies were held.

Executive Director attended the 3rd Meeting of the Sub-Committee/Expert Committee of Technical Advisory cum Monitoring Committee under TUFS chaired by the Textile Commissioner on 23<sup>rd</sup> May 2018 in Mumbai. At the Meeting, it was decided that the cases where the required documents were submitted by the machinery manufacturers may be processed within a week and a final list of machinery manufacturers enrolled under the Scheme be published.

AD (ES) attended the 11th Meeting of Technical Advisory- cum- Monitoring Committee (TAMC) under Amended Technology Upgradation Fund Scheme (ATUFS) on 16<sup>th</sup> May, 2018 in Mumbai. The Meeting was held to review agenda points which were discussed during the 10<sup>th</sup> TAMC meeting attended by Councils representative.

Regional Director, New Delhi attended "Interactive Session with EPCs on Certification Services for National Logistics Portal" held by the Deptt. of Commerce on 5<sup>th</sup> September 2018. The Session was presided over by Dr. Surendra Ahirwar, Director, Deptt. of Commerce. A presentation was made about the proposed National Logistics Portal by the KPMG, an agency hired for the purpose. The objective of this Portal is to create a Single Window Online Marketplace to link all the stakeholders. Shri Ahirwar requested to furnish the requisite information sought from the Council on priority. He wanted to know the details of the Certificates issued by the Council to the Exporters and whether the process thereof is online. The factual position was informed to him.

Regional Director, New Delhi attended "Vigilance Awareness Week-2018" function organized by the Central Vigilance Commission at VigyanBhawan, New Delhi on 31<sup>st</sup> October, 2018 from 10.30 AM onwards. The function was presided over by the Hon'ble President of India. Apart from the President, Minister of State (Personnel) and the Chief Vigilance Officer addressed the participants. The slogan of the Vigilance Awareness Week is – "Eradicate Corruption-Build a New India".

Regional Director, New Delhi participated in the Interactive Session of Commercial Representatives of Gulf, West Asia, North Africa, Eurasia and South Asia Region with EPCs at Foreign Service Institute, New Delhi on 12<sup>th</sup> November 2018. EPCs requested for support from the Commercial Representatives with regard to database of importers, retail stores, survey of

## MEETINGS

regional markets to provide analysis of the associations to contact for trade development, tariff structures, redressal of commercial disputes and issues with regard to sample clearances, visas etc. RD, New Delhi flagged the issue of non-payment by a buyer from Jeddah. It was informed that as of now there is no system available to address such issues.

Joint Director (Branding) and Regional Director, New Delhi attended a meeting with Shri Amitabh Dwivedi, Deputy Secretary, Deptt. of Commerce on 15<sup>th</sup> November 2018 to discuss 11 proposals submitted by SRTEPC for financial assistance under the MAI Scheme during 2019-20.

Regional Director, New Delhi attended CITI Global Conclave 2018/Awards Function on 27<sup>th</sup> November 2018 which was presided over by the Shri M. Venkaiah Naidu, Hon'ble Vice President of India as the Chief Guest. The Hon'ble Minister of Textiles was the Guest of Honour.

RD, New Delhi attended a meeting in the DGFT 14<sup>th</sup> February 2019 regarding issues related to online uploading of RCMCs. RD informed the officers of DGFT/NIC present there that SRTEPC is receiving applications for issuance of online RCMCs and the same are being issued online digitally signed. He also pointed out the issues relating to digital signing of xml file and uploading of the RCMCs on the website of the DGFT. It was informed by the officers present that the system of DGFT is old one (2000) which is slow and gives problems off and on. It was informed that the new system is being developed which will resolve these issues. It was suggested that in the meantime Shri Avinash whose contact details are available on the RCMC Portal of DGFT may be contacted for any issues in this regard.

RD, New Delhi attended a meeting in the Deptt. of Commerce on 15<sup>th</sup> February 2019 regarding decline in exports and planning strategies for increasing exports. As Shri Keshav Chandra, Joint Secretary was busy elsewhere, the meeting was chaired by Shri Amitabh Dwivedi, Deputy Secretary. RD informed about the present status of MMF exports. He also pointed out various issues which are affecting the growth/exports of the MMF segment such as inverted duty structure, ITC accumulations, Non-refund of ITC availed on input services, non-refund of IGST/GST on capital goods, double taxation on ocean freight, increasing of effective rates of customs duty or imposing anti-dumping duty on cheap imports from China, extension of the benefit of ROSL to yarns and fabrics with increased rates, inclusion of all MMF textile products in the MEIS with increased rates, increase of duty drawback rates and extension of benefits of TUFS to the MMF segment etc. Shri Dwivedi suggested that individual proposals may be sent in respect of all the issues so that they may move proposals and take up them with the concerned Departments/Ministries, wherever required. He also requested to send a lists of 50 large exporters and 20 clusters with contact details. He informed that the officers of DOC will visit the clusters and that the council may arrange their visits.

Regional Director attended Meeting on 8<sup>th</sup> May 2018 under the Chairmanship of Special Secretary and Financial Advisor, Ministry of Textiles with regard to finalization of accounts of Textiles India-2017..

Executive Director and Regional Director- met Shri Amitabh Dwivedi, Deputy Secretary, Deptt. of Commerce on 27<sup>th</sup> February 2019 and discussed issues relating to the inclusion of MMF yarn and fabrics under MEIS Scheme with enhanced rates of 5% and for extending ROSL benefits to MMF yarn and fabrics. He also advised to send proposal as told by Shri Chandra. Besides, he mentioned about the issue of Blocked Capital and requested to send a concept paper in this regard.

Regional Director, New Delhi attended Meeting which was chaired by Shri Ram Mohan Mishra, Additional Secretary & Development Commissioner (MSME), Ministry of MSME. Mrs. Mandeep Kaur, Joint Development Commissioner was also present. The AS&DC informed that this is an introductory meeting with the EPCs of textile sector and that there will be specific agenda in the next meeting. He informed that the Ministry of MSME wants to make strategy for boosting MSME sector, including exports.



## EXPORT ASSISTANCE

Today India is regarded as world's second-largest exporter of textiles and apparels, with an immense raw material and a strong manufacturing base. The textile industry is a significant contributor to the economy, both in terms of its domestic share and exports. It contributes to industry output, to the GDP and to the country's total exports earnings. The Textile sector is one of the largest sources of job creation in the country, employing over millions people directly.

### Government Initiatives

To follow the goal of making India's development complete, the Government is focusing on a number of policies in providing best manufacturing and infrastructure to local artisans, technology and innovation, enhancing skills and strengths of the local industry. The government has been implementing various policy initiatives and programmes for development of textiles and handicrafts, particularly for technology, infrastructure creation, skill development.

#### Problems hitting the MMF Textile industry

- Number of domestic issues including obsolete technology, inflexible labor laws, infrastructure bottlenecks and fragmented nature of the industry.
- Dominated by unorganized and small players being largely hit due to GST.
- WTO's Agreement on Subsidies and Countervailing Measures aims at phasing out export subsidies for a product as it achieves export competitiveness. India's export subsidy for the textiles sector may be hit.
- Globally, manmade textiles consumption is in high demand than cotton at 30:70. India, despite being the second-largest textiles exporter in the world, lags in this category because of unavailability of manmade fibers at competitive prices.

### Conclusion

The MMF textiles industry is important not just for labour absorption and as a source of foreign exchange, but is also a symbol of India's rich heritage. We have the required ingredients in the form of raw material availability and abundant labour to make the industry a success story. There is a need to work on correcting the challenges in the form of outdated technology, inflexible labour laws and infrastructure bottlenecks. The MMF textiles industry is important not just for labour absorption and as a source of foreign exchange, but also as a symbol of India's rich heritage. We have the required ingredients in the form of raw material availability and abundant labour to make the industry successful. There is a need to work on correcting the challenges in the form of outdated technology, inflexible labour laws and infrastructure bottlenecks.

### DUTY DRAWBACK RATES FOR 2018- 19

To represent the matter sturdily, 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 MMF Textile segment. The Council made a presentation on the Proposals for All Industry Rates of Duty Drawback for MMF Textile Products 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 Anand Kumar Jha, Under Secretary (DBK) on Thursday, 9<sup>th</sup> August, 2018 in Mumbai. The delegation from SRTEPC was headed by Shri Sri Narain Aggarwal, Chairman, Shri Ronak Rughani, Vice – Chairman, Shri S. Balaraju, Executive Director, Officials of the Council and Members of the Committee of Administration. The Council proposed for an increase 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 in the context of the high GST rates. He further made a detailed presentation of the calculations for the 14 MMF major products of the Council. A Summary of the Central and State Taxes along with the data used for calculations was submitted to the Drawback Committee. Further, the Drawback Committee was informed that taxes & duties under CGST such as Transaction Cost, Incidence of embedded taxes and Purchases from unregistered dealers while SGST taxes and duties such as State VAT on petroleum products, Blocked GST (Bldg. & construction), Stamp Duty, Electricity duty/ Fuel surcharge/ Cross Subsidy and Additional Surcharge on power purchase / Duty paid on cess for captive power consumption, etc need to be reimbursed through higher Drawback rates. The new Drawback rates for 2018-19 were announced by the

## EXPORT ASSISTANCE

Government on 6<sup>th</sup> December, 2018 which was effective from 19<sup>th</sup> December, 2018. Subsequent to the announcement of new revised rates 2018-19, suggestions were sent to the Drawback Committee. Further, some additions/modifications were made in the new revised rates 2018-19.

### RoSL to RoSCTL : 2018-19

The suggestions were sent by the Council alongwith calculations for extension of RoSL benefits to MMF fibre, yarn and fabric segments. The data of electricity, stamp duty, transport etc. were sought from the member – exporters and RoSL calculations were made for Spinning, Weaving, Knitting and Processing units. Further, a new scheme of Rebate of State and Central Taxes and Levies (RoSCTL) was introduced by the Government on 7<sup>th</sup> March, 2019 by replacing the earlier RoSL. Subsequently, the Council had requested the Ministry of Textiles for a clarification on the mechanism and eligibility of the new scheme on exports of garments and made-ups during the period 7.3.2019 to 31.3.2019 and inclusion of MMF fibres, yarns and fabric under RoSCTL.

### INTEREST EQUALIZATION SCHEME (IES)

The Interest Equalisation Scheme announced on 1<sup>st</sup> April, 2015 by the Government provided the Interest Equalisation @ **3% per annum** to eligible exporters which included **manufacturer exporters** for exports in the **identified 416 four digit tariff lines** and **all MSME exporters across all their merchandise exports. Merchant exporters were however not covered under the scheme.**

The Council had sent several requests to the Government for inclusion of Merchant Exporters and to increase IES rates for pre and post shipment.

On 2<sup>nd</sup> November, 2018, the Government increased the Interest Equalisation rate from 3% to 5% in respect of exports by manufacturers of MSME sector. Thereafter on 2<sup>nd</sup> January, 2019, Merchant exporters were also included under this scheme by allowing equalisation rate of 3% per annum for exports of products covered under 416 tariff lines identified were covered under the scheme. This form of support provided to Merchant exporters and MSMEs will surely help to make exports more competitive, increase in production and more employment generation.

### Operational / procedural issues addressed

The Council took up issues / problems faced by exporters at the operational / procedural level with various Govt. bodies like the O/o DGFT & its Regional Offices, GST Council, CBIC, RBI, Customs, etc. with regards to IGST / GST refunds, Foreign Trade Policy, ROSL / Duty Drawback Claims, problems while applying for application on the GST Portal, Customs Clearances, etc. Necessary clarifications were given by the Council on these issues. 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 issues raised by member- exporters taken up with the concerned Government officials:

#### (I) MINISTRY OF FINANCE

##### CBIC

- Refund of pending IGST/ GST / ITC claims.
- Request for an upward revision in Duty Drawback & inclusion of all MMF Textile products under Drawback Scheme.
- Clarification on mechanism & eligibility of RoSCTL Scheme during the period from 7.3.2019 to 31.3.2019 & extension of ROSCTL Scheme to the exports of MMF Yarns and Fabrics.
- Transmission of data from Customs to ICEGATE Portal
- Problems faced by exporters while uploading the Statement – 3A for filing of refunds
- To validate bank account details of exporters with PFMS in the concerned ports

# EXPORT ASSISTANCE

## **CUSTOMS**

- Problems faced by exporters at Customs due to mentioning of UQC in 'Sq. Meter' for fabrics on the invoice.
- Refund of pending ROSL/ Drawback claims
- Removal of exporter's name from the Alert List
- To waive off the procedure of submission of physical copies of documents for refund claims
- Non – reflection of MEIS details for HS Code No. 56060010 on Customs site
- Re-transmission of Shipping Bills from Customs to DGFT website
- Non – reflection of consignment details in the RBI records

## **RBI**

- Non – receipt of third party payments
- To extend due date for submission of EDPMS Statement till 31<sup>st</sup> March, 2019 instead of 31<sup>st</sup> March, 2018.

## **(II) MINISTRY OF TEXTILES**

- Provided details of pending IGST / GST of members – exporters for release of refund claims
- Provided details of 50 women exporters of the Council

## **TXC**

- Request to extend time limit for JIT inspection under ATUFS
- Inclusion of Textile machinery under ATUFS
- Refund of pending ATUFS Subsidy
- To waive off the procedure of submission of physical copies of documents for refund claims
- To disburse interest subsidy of 5% and capital subsidy of 10% on cost of project

## **(III) MINISTRY OF COMMERCE**

### **DGFT**

- Refund of pending MEIS claims
- To validate the DFIA Licence for allowing import of goods.
- Inclusion of HS Code Nos. 55095100, 55095300, 63022900 under MEIS of FTP 2015-20.
- Problems faced by exporters pertaining to declaration of intent on the shipping bills.
- Request for a clarification regarding SION Norms for Sewing Thread of Polypropylene Multifilament Yarn for its member-exporters.
- Request for a clarification regarding issuance of deficiency letters issued by O/o DGFT for issuance of EODC
- Refund of pending Incremental Export benefits
- Transmission of shipping bills on DGFT website
- Problems faced by exporters in Bhilwara in getting e-BRCs from the Banks, pending IGST refunds etc.

## EXPORT ASSISTANCE

### (IV) OTHER DEPARTMENTS OF THE MINISTRIES/ BANKS/ OFFICIALS

- Reply sent to DRI, New Delhi informing them that fraudulent exporters mentioned in their letter are not the members of the Council.
- Representation sent to the O/o Director General of GST requesting amendment in the provisions of CGST Rules vide CGST Notification No. 54/2018- C. Tax dated 9<sup>th</sup> October, 2018.
- Matter taken up with ICICI Bank informing them about non – reflection of consignment details of one of the exporters in the RBI records
- Reply sent to O/o DGFT and Ministry of Finance providing details on Duty Free Import entitlements against certificates issued by the Council to member – exporters during 2015 – 2017.
- Reply sent to Ministry of Commerce as per the questionnaire on critical actions for improving India's rank in the World Bank study on Doing Business

## PUBLICITY

In order to create a positive image and greater awareness among the overseas buyers about Indian man-made fibre textile industry and its capabilities to meet the fast changing global demand for high quality product the Council carried out a publicity programme during 2018-19.

The programme involved publication of Council's monthly publication – INFO SRTEPC, publicity folders, advertisements in Newspapers and Trade Journals particularly on the occasion of Council's promotion events at home and abroad.

### INFO SRTEPC

The Council brought out its monthly INFO SRTEPC for circulation among members. The Chairman in his regular messages to members highlighted various problems confronted by the exporters and measures being taken by the Council to resolve those. INFO SRTEPC disseminated up-to-date information and data on various markets, policy developments, export statistics, etc. By keeping the abreast of the latest trends in the national and international textile scene, INFO SRTEPC played a significant role in helping them to expand their exports and has become valuable source of reference.

### Press Releases

The Council issued a number of press releases regularly highlighting the developments in export trade scenario of man-made fibre textiles, various aspects of policy constraints, export promotion activities of the Council, etc. These releases obtained wide media coverage in financial dailies, general newspapers and trade and trade periodicals.

### Advertisements

With a view to give special coverage to Council's promotional activities, advertisements were released in select journals and newspapers.



## EXHIBITIONS

### Hong Kong Fashion Week

The Council organized first-ever participation of its member companies in “Hong Kong Fashion Week” (HFW) in Hong Kong during 9<sup>th</sup> -12<sup>th</sup> July 2018. The Fair was organized under the Market Access Initiative (MAI) with the active association of the Consulate General of India in Hong Kong and support of the Ministries of Commerce & Industry and Textiles. Nineteen member companies participated in the Fair.

Participation of around 50 Indian companies was jointly arranged by SRTEPC and AEPC in a demarcated area – 'Indian Pavilion' to get focused attention of visiting buyers, besides creating a “Brand India” image. The 'India Pavilion' was inaugurated by Shri Narayan Singh, Consul of the Indian Consulate in Hong Kong amidst the presence of local dignitaries, representatives of Indian companies, visiting buyers, media persons and others.

Most of the representatives received reasonably good response. Preliminary feedback suggested that while the estimated value of business under negotiation amounted to Rs.825.16 Lakhs, some participants had even concluded business on-the-spot amounting to Rs.148.96 Lakhs.

### SOURCE INDIA 2018, Surat

The Council organized a three-day RBSM – SOURCE INDIA 2018 from 21<sup>st</sup>-23<sup>rd</sup> September 2018 in Surat. The Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani inaugurated the Fair on 21<sup>st</sup> September as the Chief Guest. Smt. Darshana V. Jardosh, Member of Parliament who was the Guest of Honour. Along with Chairman Shri Sri Narain Aggarwal; Shri Ronak Rughani, Vice Chairman; Shri Anil Rajvanshi, Convener & immediate past Chairman and Regional Committee Chairman, Shri Dhiraj Shah they cut the ribbon and lit the traditional lamp before the assembled audience of the Exhibitors and international buyers. For three days the Council engaged the 150 plus buyers from 35 countries with its 93 member exhibitors in business negotiations at different platforms that resulted in business generation of about Rs.137 crores along with the order booked during the Fair amounting to Rs.816.50 crores. Prior to the Show Council held Road Shows in Egypt, Morocco, Mexico, Brazil, Peru, Colombia, Vietnam, Myanmar, Thailand, Moldova and Dubai. In India too road shows were held in Bhiwandi, Surat, Ahmedabad, Salem and Rajapalayam. During the Road Shows the Chairman, Convener and Vice Chairman organized presentations to leading members of the various Trade Associations in these countries by aggressively promoting Source India as an important destination for all stakeholders in this growing industry.

### TEXFUSION LONDON, UK

The Council organized first-time participation of 22 member-companies including those from AEPC and TEXPROCIL in the 9<sup>th</sup> edition of TEXFUSION London held in Islington, London during 31<sup>st</sup> October to 1<sup>st</sup> November 2018. Participation of Indian companies in TEXFUSION, which is the largest Fair of textiles/apparels in UK for the non-European companies, was organized with the assistance of the High Commission of India in UK active support of Ministry of Textiles.

The basic objective of participation in the Fair was to help Indian participants develop trade contacts for discussing business with the visiting buyers, facilitate interactions between Indian exporters and UK buyers, and thus help in forging long-term trade relationships, offer an opportunity to prospective UK buyers/customers to see what India has to offer.

Shri Charanjeet Singh, Acting High Commissioner of India in the presence of the senior officials of the High Commission including Shri Manish Singh, Minister (Economic) and Shri Saitkat Sen Sharma, Counselor (Economic) inaugurated the 'India Pavilion'. Earlier a “Press Briefing” was also held at the office of the High Commission for publicizing the participation of Indian companies in TEXFUSION among the British business community.

Around 150-200 buyers, textile traders, manufacturers of garments, agents, wholesalers, retailers, fashion designers and others connected with the UK textile industries and trade visited the 'India Pavilion' and interacted with the representatives of

## EXHIBITIONS

participating companies. The feed-back received from the participants that the value of business under negotiation amounted to Rs.9.98 crores and some participants had even concluded business on-the-spot amounting to Rs.2.07 Crores.

### **EXPOTEXTIL, Peru**

The Council organized participation of 13 Indian companies in EXPOTEXTIL Peru held in Lima during 8<sup>th</sup>-11<sup>th</sup> November 2018. In order to make the presence of 'Brand India' noticeable, besides getting focused attention of visiting buyers to participating Indian companies, all Indian participants were accommodated in the specified area designated 'India Pavilion'. H. E. Shri M. Subbarayudu, Ambassador of India to Peru, visited the fair along with Shri Arup Kumar Saha, Head of Chancery and Commercial Representative and inaugurated the 'India Pavilion'. 'India Pavilion' at EXPOTEXTIL was visited by buyers/traders of textiles, representatives of garment manufacturing companies, agents, wholesalers, retailers, manufacturers of textiles, fashion designers and other connected with the Peruvian textile industry and trade. Almost all the participants were able to develop potential trade contacts, while some participants have even succeeded in booking trial orders on-the-spot during the Fair. The orders/enquiries were both for fabrics and yarn.

### **COLOMBIATEX, Medellin**

As part of its Export Promotion Programmes for the year 2018-19, the Council organized participation of 19 Indian companies in Colombiatex which was held in Medellin from 22<sup>nd</sup> to 24<sup>th</sup> January 2019. The participation of member-companies was organized with the assistance of the Embassy of India in Bogota and active support of Ministries of Commerce & Industry and Textiles.

The Ambassador of India to Colombia & Ecuador H. E. Shri Ravi Bangar visited the 'India Pavilion' and interacted with the representatives of the participating companies from SRTEPC and TEXPROCIL.

Around 300 textile buyers visited the 'India Pavilion'. According to the feedback received from the participating companies, a total amount of Rs.24.09 crores business was generated during the Exhibition of which spot orders were booked to the tune of around Rs.6.09 crores and business under negotiations amounted to Rs.18 crores.

### **Visit of High Level Delegation to Japan led by Secretary (Textiles)**

A High Level Delegation to Japan led by Shri Raghvendra Singh, Secretary (Textiles) visited Japan from 14<sup>th</sup>-18<sup>th</sup> February 2019. The other members of the Delegation included 5 Govt. Offices and 13 industry representatives from various textile segments. Shri Sri Narain Aggarwal, the then Chairman and Shri Ronak Rughani, the then Vice Chairman, SRTEPC represented the Council at the Delegation. The objective of the Delegation was to discuss a road map for enhancing exports from India and collaborations in the textiles sector in Japan in the areas of promotion & enhancement of exports of textile & clothing products from India to Japan; collaboration, investment and JV in textile machinery manufacturing and technical textiles and collaboration in quality and standard.

The Delegation had fruitful meetings with the various stakeholders and decision makers in the Japanese textile industry including Ministry of Economy, Trade and Industry (METI); Marubeni Corporation; Japanese External Trade Organisation (JETRO); Teijin Limited among others.

A Seminar on "the potential of the Indian Textile industry and possible opportunities for both the countries" was conducted to sensitize the Japanese Government officials and textile industry & stake holders of Japan.

## EXHIBITIONS

### **Morocco Fashion & Tex, Casablanca, Morocco**

The Council organized participation of its member-companies in “Morocco Fashion & Tex” in Casablanca, Morocco during 28<sup>th</sup> to 31<sup>st</sup> March 2019. A 20-member company of the Council participated in the Fair and all the Indian participating companies were accommodated at a specially demarcated area – 'INDIAN PAVILION' to get focused attention of visiting buyers. A separate “Buyers Lounge” at the India Pavilion was also arranged. The “India Pavilion” was inaugurated jointly by Shri Niravkumar B. Sutaria, Charge d'Affaires, Embassy of India and Mr. Mohamed Hashem, Chariman, M/s. Pyramids Group amidst the presence of local dignitaries, Indian participants and media persons. Among the present were Shri Satbir Singh, Second Secretary (Com.) and other officials from the Embassy of India; Mr. Jawad Kordoudi, Consul General from the Consulate General of India in Casablanca & Marrakesh; Mr. Colin Nebhwani, President and Mr. Jilali Seghrouchni from India Morocco Chamber of Commerce & Industry

Almost all the participants were able to develop potential trade contacts, while some participants also negotiated business deals with their buyers during the Fair. It was reported that an estimated amount of Rs.36 crores was negotiated during the Fair. A few participants could book some trial orders too.

A 5-member Delegation led by Ms. Viktoriia Krivuchko, Director from Russian Association of participation of the Fashion Industry (RAFI) representing Russia visited the SRTEPC's Buyer's Lounge and discussed about their interest for doing business with India.

### **Farm to Fashion' the Indian Global Textile Summit**

The Gujarat Chamber of Commerce & Industry (GCCI) organized 'Farm to Fashion' the Indian Global Textile summit from 4<sup>th</sup> to 6<sup>th</sup> May 2018 at Ahmedabad. Honble Union Minister of Commerce & Industry and Civil Aviation, Shri Suresh Prabhu was the Chief Guest. The Hon'ble Chief Minister of Gujarat, Shri Vijay Rupani was the Guest of Honor.

The Council was promoted as the Support Organization in all their marketing collateral and at the event. SRTEPC Chairman, Shri Sri Narain Aggarwal was invited as a Guest Speaker for the interactive session 'Yarn Industry – Growth driven by Innovation and Value Addition' held on 4<sup>th</sup> May 2018.

### **Global Textile Technology & Engineering Show (GTES) 2019**

Council participated in the Global Textile Technology & Engineering Show (GTES) 2019 organised by the India ITME Society, a pioneer and largest textile machinery Exhibition in India during 18<sup>th</sup>-20<sup>th</sup> January 2019 in Mumbai. A lot of visitors visited the Council's booth and made enquiries about the services offered by the Council and procedures for enrolling as a member. A few enquiries were also received from foreign delegates visiting the Show for suppliers of various MMFT products. The foreign delegates were informed about the Promotional Programmes being organized by the Council. Membership forms were also distributed to Indian business visitors who expressed interest. GTES proved to be a good platform for promoting SRTEPC membership.

### **Buyer Seller Meet (B2B) at Bhiwandi**

Council participated in a Buyer Seller Meet (B2B) held in Bhiwandi during 19<sup>th</sup>-21<sup>st</sup> January 2019 organized by the Regional Office of the Textile Commissioner, Govt. of India and Ministry of Textiles. The event was organized under “100 days MSME campaign support and outreach Programme” by the Govt. of India.

## SEMINARS / WORKSHOPS

### **GST Camp launched by SRTEPC in Mumbai**

GST – the single tax mechanism for the whole nation on the supply of goods and services, right from the manufacturer to the consumer was implemented from July 1, 2017 through the One Hundred and First Amendment of the Constitution of India. With an aim to educate the member exporters the Council organized a purposive and on-the-spot responsive 'GST Camp' for two days – 14<sup>th</sup> & 15<sup>th</sup> May 2018 in its Head Office in association with Chartered Accountants firm M/s. ZADN Associates who have been working on this subject and have expertise on the GST matter. This “GST Camp” was one of its kind and acted as a single window platform for providing entire GST related support to the member-companies of this Council right from providing clarification on GST issues /latest updates to filing of returns to receive of the returns by the respective exporters. Around 25 persons attended the Camp on the first day and 10 persons enrolled online. The first day interactive session was a success and many of the queries of the exporters were answered. The second day began with a Power Point Presentation made by M/s. ZADN Associations on the current GST issues and the services which they will be providing to the SRTEPC members.

### **Workshop on “Export Risks Management & Insurance Solutions”**

The Council organized a half day Workshop on Exports Risks Management & Insurance Solutions in Mumbai on 15<sup>th</sup> June 2018. The Workshop deliberated and threw light on the issues relating to risks involved in export business and suggested suitable strategies. The Workshop was into two separate Sessions which was addressed by respective subject experts. Session one was on Receivables Management & Credit Risk Insurance within which the major issues discussed were such as various risks in export : marine & property risks, export market & country risks, regulation risk, political risks, commercial/buyer risks, pricing risks, exchange risks, exports & domestic credit insurance, credit insurance products, procedures & benefits, etc. Session two was on marine, property, liability & other risks insurance. Representatives of sixteen member-companies of SRTEPC participated actively in the Workshop and interacted during discussions.

### **Seminar at Liva Studio, Tiruppur**

The Council organized a Seminar on Thriving Indian Man Made Fibre Textiles – A Myriad of Opportunities on 18<sup>th</sup> December 2018 at 'Liva Studio', Tiruppur in association with SIMA and Grasim Industries Ltd.

The Seminar was intended to create awareness amongst the textile community in and around Tiruppur region about the prospects for further growth of man-made fibre textiles and bring more textile manufacturers and traders as members of SRTEPC.

Mr. Durai Palanisamy, Director, Pallavaa Group & Member-Committee of Administration, SRTEPC was the Chief Guest of the Seminar. Others present at the Seminar were Mr. S. Balaraju, Executive Director, SRTEPC, Mr. D. Jayaraman, Asst. Director (Head-Spinning), SITRA, Mr. M. Natarajan, Asst. VP (Sales & Marketing), Zonal Head (Southern Region) Grasim Industries Ltd, Mr. M. Balasubramanian, Dy. Director & Officer In-Charge, Regional OTxC, Coimbatore and Mr. M. Duraisamy, Past Chairman, PDEXCIL and MD, Surya Cotton Mills Ltd.

### **Seminar in Texvalley, Erode**

The Council organized a Seminar on Thriving Indian Man Made Fibre Textiles – A Myriad of Opportunities on 17<sup>th</sup> December 2018 at Maple Hall, Texvalley, Erode in association with SIMA and IL & FS Clusters Development Initiative Ltd.

The Seminar was intended to create awareness amongst the textile community in and around Erode region about the prospects for further growth of man-made fibre textiles and bring more textile manufacturers and traders as members of SRTEPC.

Mr. Durai Palanisamy, Director, Pallavaa Group & Member-Committee of Administration, SRTEPC was the Guest of Honour at the Seminar. The other distinguished guests present were Mr. M. C. Devarajan, Vice Chairman, Texvalley; Mr. S. Balaraju,



## SEMINARS / WORKSHOPS

Executive Director, SRTEPC, Mr. G. Somasundaram, Southern Zone Head (Textile and Clothing Skill Development) IL&FS Clusters, Mr. M. Balasubramaniam, Dy. Director & Officer-in-Charge, Regional office of the Textile Commissioner, Coimbatore and Mr. V.T. Karunanithi, MD, Guru Karuna Textiles. Mr. Prashant Palsule, Region Head (South Polyester), Reliance Industries Ltd.

### **Workshop on Annual Filing of GST Returns – GSTR 9, Mumbai**

The Council organized a Workshop on Annual Filing of GST Returns – GSTR 9 in Mumbai on 20<sup>th</sup> December 2018. The Workshop began with opening remarks by the then Vice Chairman, Shri Ronak Rughani who explained to the participants about efforts being made by the Council to educate their member-companies on every aspect relating to GST, since its implementation on July 2017. The Council had invited GST trainer and Chartered Accountant Shri Vishal Poddar who gave an exhaustive Power Power Presentation covering the issues on GST amendments, GST filings and Annual Filing of GSTR-9 including its filing procedure. Representatives of 26 member companies participated and interacted during the Workshop.

## SRTEPC TRADE CENTRE

The Council maintains a TRADE CENTRE at its Head Office in Mumbai, which is a specially designed to serve as a “one-stop-sourcing-point” for busy and discerning international buyers.

At the SRTEPC TRADE CENTRE, the latest range of trade samples of leading Indian exporters are on permanent display under one roof. The prospective importer has an added advantage, as the Council provides him with ready assistance in selecting products and suppliers according to his specifications. The convenience offered by the TRADE CENTRE goes a long way in clinching new deals and renewing existing ones.

Besides, servicing overseas buyers, the SRTEPC TRADE CENTRE provides professional service to its member-companies in planning their export activities, and to overseas buyers in sourcing their requirements from India.

Several such TRADE CENTRES have emerged in the past years, yet one cannot forget that the SRTEPC was the first Export Promotion Organization to introduce this concept. What is more, it had the courage of conviction to follow the idea through to its completion.

All the above services and more, provided by SRTEPC TRADE CENTRE go a long way in helping the Indian exporters to compete successfully in the rapidly changing overseas markets. Furthermore, all services to international buyers by the Council are absolutely free. Just for the asking.

### **Overseas visitors**

The SRTEPC TRADE CENTRE also organizes Buyer Seller Meets on one-to-one basis between visiting buyers and appropriate Indian suppliers to enable them meet personally and negotiate business deals under the guidance of the Council.

### **Foreign Trade Enquiries**

The Council has over a period of time emerged as “vital link” that connects overseas buyers and their Indian exporters. It has widened its contacts with overseas buyers, and established itself as a leading Apex Organization for them to choose appropriate Indian exporters. During the year, the Council generated 100 local and 10 foreign trade enquiries from countries such as Spain, Morocco, Peru, Sri Lanka, Colombia and Pakistan.

## 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 carried out/conducted certain research activities during 2018-2019 some of which are given as follows:

### Exclusive Data Compilation

The Council maintains 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 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 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; the quality of market research has become a key determinant of success in trade especially in exports.

The Council provided its member-companies and also to the Ministry of Textiles and Ministry of Commerce & Industry, with systematic, purposive and analytical data about specific markets, products, etc. through exhaustive research activities.

The Council conducted extensive desk research and collected certain data through primary research in order to keep its member-companies regularly 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 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, tastes of customers, customer segments, etc. The Council worked on such issues and provided relevant information regarding these issues 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 considering how best to measure them, as follows,:

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;

## RESEARCH

- Views of member-companies about the markets, items, country-specific policies, provision, etc. and their impact 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 the information gained from benchmarking exercises, past performance or experience, as guides etc.

### Export Statistics

The Council compiled Monthly export statistics on Man-made fibre and blended textiles 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 on its website for the benefit of its members. The data was also used in preparation of press releases, articles, and special proposals for submission to different authorities.

### Country Report/Alert

Published through INFO SRTEPC

- EU
- Vietnam
- USA
- Peru
- Hong Kong
- Uzbekistan
- United Kingdom

### Important Articles

- An Article titled “India has the Potential to Drive the Growth Engine in MMF Textiles Globally” was published in the *Textile Times*, monthly Magazine of CITI.
- Responded to the questions for an Interview by Tecoya Trend Newspaper on issues, such as Performance of synthetic and rayon textile exports, impact of surging raw material prices (polyester and viscose), impact of a China-US trade war on Indian synthetic and rayon textile exports, Rupee front, Duty Drawback, MEIS, TUFS and A-TUFS Scheme, etc.
- Responded to questions for an Interview by 'Apparel Online' Magazine on issues such as export performance, current policy initiatives, future prospects of MMF textile sector, etc.
- Prepared a Concept Paper on Indian Manmade fibre Textile Sector for increasing its consumption, production and exports as sent to Honourable Minister of Textiles.
- Sent a proposal for setting up of an Export Promotion Centre in Surat, Gujarat, under the Trade Infrastructure for Export Scheme (TIES) by the Ministry of Commerce & Industry.
- Lauded the Hon'ble Textiles Minister for launching the Scheme for Development of Knitting and Knitwear Sector and sent for publication.

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- Prepared Press Release of SRTEPC welcoming the Outreach Programme launched by Shri Suresh Prabhu, Union Minister of Commerce & Industry and Civil Aviation with Industry and Trade Association sent for publication in Tecoya Trend.
- Prepared an Article on 'Level of financial stress in the Man-made fibre textile segment.'
- Prepared 'The dynamics of Trans-pacific Partnership (TPP) Agreement.'
- Prepared a Report titled "Segment-wise detailed analysis on exports of Man-made Fibre Textiles during April-March 2018-2019"
- Published detailed FAQs on "How to Export."

**Common Issues, which were taken up with the Ministry of Textiles, Ministry of Commerce & Industry and Ministry of Finance were the following:**

### **Inputs on GST Anomalies**

- ❖ The Council highlighted key issues 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 in the manmade fibre textile segment.
- ❖ Representations were sent to the Ministers and Secretaries of HMOC and HMOF and HMOT, Secretary (Textiles), Economic Adviser (MOT) and Trade Adviser (MOT).
- ❖ Powerpoint Presentations made before HMOT for explaining the issues with practical illustrations.
- ❖ MOT and MOC were requested to recommend our issues to the MOF for according favourable orders.
- ❖ The major issues covered were:
  - Reduction of GST on yarn from 18% to 12%.
  - Refund of accumulated ITC to weavers and knitters
  - Non-inclusion of MMF textile products falling under equal or lower rate of GST
  - Facility of rectification, revised or supplementary claim of Refund
  - Lapse of ITC by Notification No.20/2018-CTR dt 26-07-2018
  - Non-consideration of ITC of GST paid on Invoices of earlier tax period availed in subsequent tax period
  - Refund of Input tax credit availed on input services
  - Refund of IGST/ GST on Capital Goods
  - Burden of Double Taxation on Ocean Freight
- ❖ Representations on GST anomalies were sent to Shri Yogendra Garg, Additional Director General, Office of Directorate General of Goods & Services Tax.
- ❖ Representations on GST anomalies were also sent to Smt. Kavita Gupta, Textile Commissioner, Ministry of Textiles.

### **Inputs on RoSL**

- ❖ Representations requesting for extension of RoSL benefits to fibres, yarns and fabrics were sent to the Ministers and Secretaries of HMOC and HMOF and HMOT, Secretary (textiles), Economic Adviser (MOT) and Trade Adviser (MOT).
- ❖ Made a Powerpoint Presentation before the HMOT justifying extension of RoSL to fibres, yarns and fabrics also.
- ❖ MOT was requested to take up the issues raised by SRTEPC with the MOF and GST Council for according favourable orders.
- ❖ Representations on GST anomalies were also sent to Smt. Kavita Gupta, Textile Commissioner, MOT.



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## Inputs on Union Budget

- ❖ Submitted representations on the issues being faced by the MMF textile industry on the export front for the Mid Term Review of FTP 2015-20. A Powerpoint Presentation was also made on the same.
- ❖ Sent a detailed Pre-Budget Proposal to the HMOT, HMOC and HMOF and made Powerpoint presentation on the same.
- ❖ The Council has raised with the Ministry major issues and difficulties faced by MMF textile industry like the slow refund process, systemic issues, accumulation of huge ITC, due to inverted duty structure, etc and other export promotional measures such as ROSL scheme to fibres, yarns and fabrics, higher MEIS rates, increase of effective duty on yarns and fabrics and reduction of GST on Manmade fibres from 18% to 12% etc.
- ❖ The Ministry of Textiles has been requested to take up the issues with the Ministry of Commerce for its consideration.

## Study on Manmade fibre Sector

A Milestone Study “To Promote Growth of Man Made Fibre Textile Industry in India – Roadmap to Identify Gaps and Suggest Measures” has been sanctioned by HMOT due to the continued efforts of the Council. This will be a historic and baseline Study for the MMF textile sector in the country.

## Product Specific Membership

- ❖ Representations/Appeals sent to the HMOT and Textile Secretary and HMOC and Commerce Secretary requesting them to ensure the maintenance of commodity-specific membership with EPCs concerned.
- ❖ It was requested to take up the matter with FIEO.

## Inputs on Other Issues

- ❖ Inputs for preparing the Textile Policy and also recommendations on issues like labour reforms were sent to the Ministry.
- ❖ Suggestions on the Budget 2019-20 were sent.
- ❖ Inputs on the finalisation of statistical formats for online data submission by textile units were sent.
- ❖ Relevant points pertaining to India's exports of MMF textiles to Colombia, Ecuador and Uruguay, relevant issues and suggestion for greater textile cooperation for discussion visit of a delegation led by Commerce Secretary to Colombia, Ecuador and Uruguay during 18-22<sup>nd</sup> April, 2016 were sent.
- ❖ Inputs on Draft Cabinet Note on Asia Pacific Trade Agreement (APTA) and examined the Lists of tariff concessions proposed by India to its APTA peers, both Least Developed (LDCs) and Non-Least Developed countries (NLDCs). The Council has sent the comments pertaining to MMF textiles tariff lines which fall under its purview seeking the removal of the tariff lines of MMF knitted fabrics covered under Chapter 60 from its Draft concession list to NLDCs under the APTA.
- ❖ A Note on Textile Trade with Bangladesh about mounting a trade delegation in the context of SRTEPC's exhibition in Bangladesh was sent to the Textile Ministry. The Council also sent to the Textile Ministry, a separate table on the projected benefits to India arising out of close bilateral textile cooperation with Bangladesh.
- ❖ Inputs sent to the Textile Ministry for Marketing Plan prepared by the MOT. The Council also requested the Ministry to include eight markets in the list of MDA grants, which are emerging and potential markets for Indian MMF Textiles.
- ❖ Inputs regarding 1<sup>st</sup> meeting of India-Belarus, Joint Working Group were sent.
- ❖ Inputs of the Council for review meeting to be held under the Chairmanship of Secretary (Textiles) regarding export performance of textile EPCs and fixation of export target were sent.
- ❖ Sent inputs on NTBs in USA and Japan pertaining to textile products as desired by Trade Adviser, MOT.

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- ❖ Views and inputs of the Council as per the feedback received from the members exporters were prepared and sent to the Textile Ministry for India-Korea CEPA Review –2<sup>nd</sup> meeting of Joint Committee at Ministerial level.
- ❖ Detailed points, like huge trade imbalance in MMF textile products, need for urgent attention to solve the trade imbalance, more commitments to be sought from China under RCEP, suggestion for greater textile cooperation for discussion for revised note on issues of MMF textile of India with China were sent.
- ❖ Comments for inviting tariff lines for expansion of India-MERCOSUR PTA and requested to the Ministry inclusion in the India's wish list for expansion of tariff lines in the India-MERCOSUR PTA and insist for duty free market access to MERCOSUR region for Indian MMF textile exports were sent.
- ❖ Sent inputs for preparing strategies for increasing exports of Indian MMF textiles which fall under the purview of the Council.
- ❖ Inputs of the Council with regards to increased imports of fabrics from China.
- ❖ Inputs/comments of the Council for 10<sup>th</sup> India-Bangladesh JWG meeting on trade were sent.
- ❖ Detailed points for follow-up action for Morocco-India JWG on Tariff and Non-tariff Barriers were submitted.
- ❖ Suggestion/comments of the Council for Revision/ Renewal of India-Nepal Trade Treaty were sent.
- ❖ Inputs sent for the Joint Committee meeting at Secretary/Vice-Minister Level under India-Japan CEPA.
- ❖ Inputs on the Protocol of 3<sup>rd</sup> Session of India-Ukraine Working Group on Trade and Economic Cooperation, such as information on relevant points pertaining to India's exports of MMF textiles to Ukraine and relevant issues and suggestion for greater textile operation for discussion were sent.
- ❖ Sent comments and suggestions of the Council for Implications of TPP for India's textiles and clothing sector.
- ❖ Studied the Korean preliminary request list of 648 tariff lines at HS 8-digit level and sent the comments of the Council to the Ministry with regard to amendment/ upgradation of India-Korea CEPA.
- ❖ The Council sent information on relevant points pertaining to India's exports of MMF textiles to Ecuador and relevant issues, suggestion for greater textile operation for discussion for First Meeting of the India-Ecuador JETCO.
- ❖ Sent details regarding major impediments, which are hampering the growth of production and exports of manmade textiles from India, like the high Excise Duty on MMF textiles at 12.5% and the uncontrolled imports of cheap fabrics from China.
- ❖ Inputs of the Council with regard to Consultation with line Ministries/Departments with reference to Rules of Origin in India's ongoing Regional Comprehensive Economic Partnership (RCEP) negotiations were sent.
- ❖ Inputs of the Council were sent to the Ministry with regards to Trade Delegation to Russia.
- ❖ A note on prospects of Indo-Russia Joint Venture Co-operation in Textile Segment were prepared and sent to the Ministry.
- ❖ Prepared and sent answers to the questionnaire for ILO's Report for item VII (1) of the Agenda for the 106th Session of ILC.
- ❖ Studied prescribed list of textile items and sent the comments of the Council to the Ministry for India-EFTA TEPA negotiations – re-consultations.
- ❖ Comments for India Turkey PTA on textiles with suggested Tariff reductions were sent to the Ministry.
- ❖ Sent Inputs for HMOT visit to Poland and Czech Republic.
- ❖ Submitted relevant information on the Market potential, India's exports of MMF textiles to Brazil, Import tariff and suggestion for greater textile in regard with 4th Meeting of the India-Brazil Trade Monitoring Mechanism (TMM).
- ❖ The Council requested the Ministry to initiate some measures to arrest the decline in exports in general as also the fall in exports of Indian MMF textile products. The Council also suggested strategies like the Reduction of Excise Duty, Revision of MEIS under FTP 2015-20, Proposal for PTA in textile with Turkey, Immediate intervention to stop increase in fabric exports from China, etc.
- ❖ Inputs regarding production and export of made-ups from India were sent.

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- ❖ Submitted relevant information on the Market potential, India's exports of MMF textiles to Australia, Import tariff and suggestion for greater textile for 15th Meeting of India-Australia JMC – inputs.
- ❖ With regard to the Meeting of EPCs under the Chairpersonship of Smt. Aditi Das Rout, Trade Adviser, Ministry of Textiles, the Council requested the Ministry for some measures to be taken to arrest the decline in exports and arrest the falling exports of Indian MMF textile products.
- ❖ The Council has submitted the points regarding EU's REACH regulation, India's exports and imports of MMF textiles to EU etc. for the 10th Meeting of India-EU Joint Working Group on SPS/TBT finalization of Agenda.
- ❖ Comments and suggestions of the Council were sent to the Ministry for meeting under the Chairpersonship of Secretary (Textiles) to review the achievements of Export Targets.
- ❖ Inputs of the Council for India-Bangladesh Commerce Secretary Level meeting to be held on 15-16 Nov'16 were sent.
- ❖ Inputs of the Council for the India-Afghan MoU-1st JWG meeting were sent.
- ❖ The inputs of the Council relating to relevant issues pertaining to textile sector as per the Matrix developed for Ministerial/Agencies on WTO Trade Facilitation agreement were sent to the Ministry.
- ❖ Inputs of the Council on the tariff concession offered by Vietnam were sent.
- ❖ Inputs of the Council on the 4<sup>th</sup> meeting of Joint Sub Commission with Vietnam were sent to Ministry.
- ❖ Inputs of the Council for 3rd Session of India-Serbia JEC seeking comments on inclusion of a para on cooperation in Textile Industry suggested by Embassy of India, Belgrade were sent.
- ❖ The Council's comments were sent to the Ministry along with the India's negative list under India-New Zealand CECA for seeking tariff concessions on MMF textile products.
- ❖ The Council has raised important issues for discussion for greater textile cooperation in regard with Draft Note for Cabinet for revised MoU between India and Bangladesh for establishing Border Haats.
- ❖ The Council sent relevant points in regard with Delegation from Bosnia & Herzegovina.
- ❖ Relevant suggestions for discussion were sent to the Ministry for meeting on implication of GST on the Textile Sector.
- ❖ Inputs of the Council for 11th Session of India-Uzbekistan Inter-Governmental Commission on Trade, Economic, Scientific and Technological cooperation (IUIGC) were sent.
- ❖ Inputs of the Council were sent for possibilities of Investment in Timor Leste.
- ❖ Inputs of the Council for review of GSP status of India being undertaken by USTR were sent.
- ❖ The Council's inputs were sent to the Ministry along with a list of MMF textile items in the attached format to the Ministry in regard with to inputs of rules of origin under the proposed India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA).
- ❖ The detailed Indian Wish List was prepared on the basis of India-Mauritius CECPA and sent to the Ministry.
- ❖ Inputs of the Council were sent to the Ministry for meeting to discuss ways to increase availability of capital for labour intensive sectors.
- ❖ Inputs of the Council were sent to the Ministry along with export-import data on Technical Textiles during last two Financial Years for Stakeholders meeting on challenges, concerns and the requirements of Technical Textiles
- ❖ Inputs of the Council for 9th Session of Indo-Slovak JEC to be held in April 2017 Seeking Action Taken Report (ATRs) on the Protocol 8th Session of the JEC and new Agenda points for the 9th Session were sent.
- ❖ Inputs and suggestion of the Council were sent to the Ministry for 11th Session of the India-China Joint Group on Economic Relations, Trade, Science and Technology (JEG).
- ❖ The Comments of the Council in regard with inputs of rules of origin under the proposed India-Israel Free Trade Agreement were sent.
- ❖ The Council has submitted details of Market potential, India's exports of MMF textiles to Portugal and Suggestion for greater textile cooperation for discussion in regard with the fourth session of Indo-Portugal Joint Economic Committee (JEC).

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- ❖ Inputs for the meeting under the Chairmanship of Secretary (Textiles) regarding clarification on Rebate on State Levies (ROSL) Scheme were sent.
- ❖ Inputs of the Council in regard with Agenda points for Secretary (Textiles) meeting with Kenya delegation.
- ❖ Inputs of the Council were sent to the Ministry on ITTA's request to the MOT for extension of ADD on glass Geogrids originating from China.
- ❖ Inputs of the Council were sent to the Ministry for India-Brunei Joint Trade Committee (JTC) meeting.
- ❖ List of 25 member-exporters of the Council who are dealing with made ups were sent to the Ministry in connection with proposed HMOT meeting on 5<sup>th</sup> of January 2017 in New Delhi.
- ❖ Inputs were sent on Finalisation of Statistical formats for online data submission by textile units.
- ❖ Inputs of the Council the proposal of Bolivia for a Preferential Trade Agreement with Bolivia were sent.
- ❖ Inputs were sent to the Ministry for a comprehensive proposal for employment generation through Textile sector for Konkan Region.
- ❖ Inputs of the Council were sent for meeting of Joint Administration Committee (JAC) under expanded India-Chile PTA Stakeholder Consultation.
- ❖ Inputs for the Note on Export Strategy for Australia, South Korea and LAC were sent.
- ❖ Sent inputs for the 11<sup>th</sup> session of India-Czech Joint Commission on Economic Cooperation (JCEC).
- ❖ Inputs sent to the Ministry for first Foreign Office Consultations (FOC) with Panama.
- ❖ Inputs of the Council were sent to the Ministry in regard with Export Strategy to ASEAN Region.
- ❖ Inputs of the Council were sent in regard with Sunset review investigation on the imposition of anti-dumping duty of Polyester Staple Fibre (PSF) originating in India, the People's Republic of China and Taiwan.
- ❖ Inputs of the Council for Visit of high-level delegation under the leadership of Secretary (Textiles) to Japan and prepared powerpoint presentation and sent to the Ministry.
- ❖ Sent inputs for Commerce Secretary's visit to Uttar Pradesh on 11<sup>th</sup> Feb. 2019.
- ❖ Inputs of the Council for draft Protocol from Italy in r/o 20<sup>th</sup> session of India-Italy JCEC were sent.
- ❖ Sent inputs for 4<sup>th</sup> round of Negotiations of proposed Preferential Trade Agreement between India and Iran.
- ❖ Inputs of the Council for issues to be included in the agenda of JTC/JCM with Egypt and Morocco were sent.
- ❖ Comments/views of the Council for MoU between MoT and M/o Industries and Commerce of Afghanistan were sent.

### **Confederation of Indian Industry (CII)**

- ❖ 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.
- ❖ Highlighted key issues and difficulties being faced by the exporters were sent to the Ministry.
- ❖ Proposal for Study on Challenges of Man-made Fibre Textile value chain – a strategic approach for exports were sent.

### **Inputs on Parliament Questions Received**

#### **Rajya Sabha**

- Inputs sent to the Ministry of Textiles (MoT) on Rajya Sabha Question Dy. No. U268 for 06/02/2019 regarding standardisation textile products.
- Inputs sent to MoT on Rajya Sabha Unstarred admitted question Dy. No. S831 regarding steps to boost growth in the textile sector.
- Inputs sent to MoT on Rajya Sabha Question Dy No. 477 regarding Free Trade Agreement with European Union.



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- Sent input for admitted version of Unstarred Question Dy. No. U197 for 06/02/2019 regarding exports of garments and textile.
- Inputs sent to MoT on Rajya Sabha Question Dy. No. S246 regarding export of textile product.
- Inputs sent to MoT on Rajya Sabha Question Dy. No. U1764 for 26/12/2018 regarding on performance of Textiles Sector
- Inputs sent to MoT on Rajya Sabha Question Dy. No. U2684 for 02/01/2019 regarding the import duty on all textile items.

### Lok Sabha

- Inputs sent to the Ministry of Textiles (MoT) on Lok Sabha Question Dy. No. 14582 for 06.04.2017 on Competition with China.
- Inputs sent to MoT on Lok Sabha Question Dy. No. 7847 regarding Export of textiles and apparels.
- Inputs sent to MoT on Lok Sabha PAQ D.No. 13486 regarding Home Textiles.
- Inputs sent to MoT on Lok Sabha Q.No. 3708 regarding export of textiles products.
- Inputs sent to MoT on Lok Sabha Q.No. 3863 regarding a roadmap to increase the export.
- Inputs sent to MoT on Lok Sabha unstarred Question No. 3708 for 8.12.2016 on export of textiles products
- Inputs sent to MoT on Lok Sabha unstarred Q.No. 3694 for 8.12.2016 on export of garments.
- Inputs sent to MoT on Lok Sabha unstarred Q.No. 3863 on a roadmap to increase the export.
- Inputs sent to MoT on Lok Sabha unstarred Question 3 for 02.02.2017 on performance of Textiles Sector
- Inputs sent to MoT on Lok Sabha Question Dy. No. 83 for 02.02.2017 on Impact on Textile Industry.
- Inputs sent to MoT on Lok Sabha Question Dy. No. 25268 regarding Export of textiles.

### Certificate of Origin Issued

The Council issued 179 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 on the 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.

### Consultancy Services

- ❖ Hired on retainership services of M/S Gherzi for providing inputs to the Council on international and domestic fronts.
- ❖ Hired on retainership services of a GST consultant for providing up-to-date information, clarity, case study, etc. pertaining to GST.

## EXPORT AWARD CEREMONY

The Synthetic & Rayon Textiles Export Promotion Council held its annual Export Award Function on Saturday 2<sup>nd</sup> February 2019 in Hotel Taj Land's End, Mumbai.

The Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani, Chief Guest at the Function presented the awards to the exporters in recognition to their outstanding performance for the year 2017-18.

The Function was also attended by the past Chairmen of the Council, members of the Committee of Administration and other members of the Council, industry stalwarts, dignitaries from Foreign Missions, media persons, representatives of the award winning companies and large number of member exporters of the Council.

For the year 2017-18 there were in all 45 awards of which one was Certificate of Merit for achieving export growth for the year 2017-18.

The SRTEPC Special Award for Best Overall Export Performance (Gold Trophy) was won by Reliance Industries Limited; Grasim Industries Ltd. bagged the Silver Trophy for the Second Best Overall Export Performance while Wellknown Polyesters Ltd. was awarded the Bronze Trophy for the Third Best Overall Export Performance. RSWM Limited won the trophy for Fourth Best Overall Export Performance. The other companies who received awards in various categories were D'décor Exports Pvt. Ltd., D'décor Home Fabrics Pvt. Ltd., Sutlej Textiles and Industries Ltd., Saam Textiles Pvt. Ltd., Dicitex Furnishings Pvt. Ltd., Wearit Global Ltd., Le Merite Exports Ltd., Art Yarn Exports (India) Ltd., Indian Acrylics Ltd., Grasim Industries Ltd. (formerly known as Aditya Birla Nuvo Ltd.) Unit Indian Rayon, Daman Polythread Ltd., Vardhman Textiles Ltd., Madura Coats Pvt. Ltd., Banswara Syntex Ltd., Pee Vee Textiles Ltd., Loyal Textile Mills Ltd., Goyal Knitfab Pvt. Ltd., Kishorilal Shyamsunder, SKAPS Industries (India) Ltd., Shriram Rayons, Reagan Fashions Pvt. Ltd., Samyak Synthetics Pvt. Ltd., BSL Ltd. and Nirav Silk Mills Pvt. Ltd.

In his introductory speech, the Convener, Shri Anil Rajvanshi heartily welcomed everybody to this Function. He further stated that this year has been a challenging year from the point of view of foreign exchange and crude volatility, however, MMF textile exporters have overcome all these hurdles and achieved 3% growth in exports, he credited this to the active support of the Hon'ble Union Minister for Textiles and consistent efforts of the Council to facilitate exports. He stated that the MMF textile segment could achieve refund of unutilized ITC on fabrics; and although this was mid way through the year, it is a big achievement for our weavers especially powerloom weavers who were paying higher GST on input and having lower GST on output i.e., fabric. He further said that today we have 2500 members of which majority of them are weavers and powerloom weavers especially from Surat which today is the largest manufacturer and exporter of Man-made fibre fabrics in the country. He said that we require some bilateral trade treaties which may be in terms of Preferential Trade Agreements especially with Turkey and EU which would go a long way in helping our exports grow further.

Shri Sri Narain Aggarwal, the then Chairman, SRTEPC in his welcome address mentioned that the demand for man-made fibre (MMF) textiles all over the world is increasing as main raw material amid changes in global fashion trends. He said that currently MMF dominates global textile fibre consumption with 70: 30 ratio i.e., MMF 70% and 30% is Natural fibre, whereas it is just opposite in India which is below 40%. This means that India has strong growth potential. The SRTEPC Chairman observed that India is one of the largest producers of man-made fibres (MMF) textiles in the world with present production of over 1441 million kg of man-made fibres and over 3000 million kg of man-made filaments. Over 23000 million sq. mtr. of fabrics were produced from Man-made fibres and their blends. Major varieties of fibres and filament yarns are polyester, viscose, nylon, acrylic and polypropylene. He further stated that India is also the 2<sup>nd</sup> largest producer of polyester and viscose.

The Chief Guest, Hon'ble Union Minister of Textiles said that she was present here today to celebrate excellence in the MMF textile industry. She observed that whenever she was at a platform provided by SRTEPC, it became increasingly apparent to her that it was less of an industry and more of a family. She confided that when she took over charge as the Textiles Minister, MMF textiles was a challenge and she expressed her gratitude to Shri Dhirubhai Shah (Regional Chairman of the Council) who has given his counsel and through every challenge has hand held many an issue for the Ministry and its officials.

She said that today SRTEPC is celebrating the excellence of its member-companies but she had a two-fold request. She said that firstly the MMF textile industry should undertake many R&D projects as she believed that R&D is one of the foundations

## EXPORT AWARD CEREMONY

of the industry, and such excellence in R&D projects should be celebrated at Award Function of the Council , which she said would give a huge -fillip to research in the industry.

She also requested the industry leaders and SRTEPC to recognize the excellence of organizations/individuals who contribute to sustainable methods of manufacturing. These she said need to be highlighted from across the industry, especially ones that impact the MMF textile sector on this stage, so that their success can be celebrated as well. She said that she has received the approval of the SRTEPC Chairman for these two initiatives and the next Chairman, Shri Rughani would be the torch bearer of it under the aegis of the Council.

The Hon'ble Textile Ministry indicated that the matter mentioned by the SRTEPC Chairman regarding ROSL for fabric and yarn has been taken up by the Textile Ministry and recommended the same to the Commerce Ministry. She said that this is just an initiation from the Textile Ministry and cognizant of the fact that the Norms Committee under Commerce Ministry will be doing the data crunching, since after all any kind of subsidy which comes out of the Indian Treasury is done keeping in mind hard work of honest tax payer and surety has to be in place to ensure that there is absolutely no leakage or miscalculation. The Norms Committee under the Commerce Ministry will consider the proposal of the Ministry of Textiles and as seen in Administration, will turn to the Revenue Department to check whatever is offered to the industry is substantially supported by relevant norms.. She pointed out that this was for the first time in the history of the textile industry that the Textile Ministry has stepped up and taken this one big step towards ensuring that neither the yarn nor the fabric industry exports any taxes and thereby present them an opportunity for further growth for a better future.

Smt Smriti Zubin Irani said that she was happy to be present at the Function and give away awards to some of the leading exporters in the business of MMF textiles thereby felicitating the award winners. She also expressed her gratitude to the companies of not only MMF textiles but all who contribute towards the Indian economy.

Shri Ganesh Kumar Gupta, President, FIEO and former Chairman, SRTEPC was conferred with the Life Time Achievement Award for his remarkable contribution to the field of MMF textiles.

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 & Industry; Hon'ble Union Minister of Textiles; Hon'ble Union Minister of State for Textiles; Commerce Secretary and Secretary Textiles.

The presentation of awards was followed by an evening of performance by a young and famous band and live RJ music that had the participants on their feet for much of the evening.

## SYSTEM SERVICES

To keep in stride with the changing times the Council has over the years computerized most of its activities and made it easier for its members to keep updated at the click of their fingers. Towards this endeavour the Council during the year continued with its various existing software applications in various Department. The computerization of its system also went a long way in helping the global initiative of saving paper and conserving the environment as well as catering to the techno savvy members of the Council. SRTEPC circulars, notifications, monthly publication INFO SRTEPC, etc. were electronically mailed and downloaded on the website of the Council. The online registration of Membership enabled MMF exporters to enroll themselves as members in the convenience of their offices thus saving time.

### 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. Member-exporters advertise on SRTEPC website to publicize their products range as it reaches a wide number of overseas buyers. .

## REGIONAL OFFICES

### NEW DELHI

The Regional Office of the Council in New Delhi plays a key role in bridging the gap between the Government and the industry. The Office constantly keeps the authorities informed about the various developments in the MMF segment in the country, the issues being faced by the exporting community in their export endeavour and the promotional programmes being undertaken by the Council for augmenting growth of MMF exports.

The Regional Office successfully carried out the certification work relating to the samples and exhibits of overseas exhibitions and events to the satisfaction of the member-exporters in the Northern Region. The Office issued 74 Certificates of Origin to the member-exporters of the region during the year. Besides, the Office also issued Visa Recommendation letters to the exporters so as to enable them to obtain visas from the concerned Embassies and High Commissions located in New Delhi for their business visits abroad. As a result of export oriented services provided by the Regional Office, while membership of 481 members was renewed, 46 new members were enrolled from the Northern Region during the year.

The Regional Office attended to numerous enquiries from the members in the region regarding admissibility of different incentives available under various schemes such as Duty Drawback Scheme, RoSL Scheme, MAI Scheme, MEIS etc. and also guided them in their day-to-day operational problems relating to different organisations.

During the year, the Regional Office participated in 73 meetings in the Central Govt. Ministries/ Departments such as the Ministry of Textiles, the Ministry of Commerce & Industry (Department of Commerce and DGFT) and the Ministry of Finance (Department of Revenue, CBIC, Drawback Committee, GST Council), Prime Minister's Office and NITI Aayog etc. The Chairman, Vice Chairman and Executive Director of the Council also participated in many of these meetings. The Regional Office facilitated their participation in these meetings. Council's view points/suggestions on various issues pertaining to the MMF segment were expressed during these meetings.

### SURAT

Surat, an emerging city in the state of Gujarat, is known as the textile city of Gujarat. And, the epithet is perfectly suited to the city. The textile industry is one of the oldest and the most widespread industries in Surat. A major part of the city's population is associated with the textile industry. The main market for Surat textile products are India and other countries of Asia, Middle East, Africa, America, Europe, European Union, Oceania as well as to West Indies. Around 90% of polyester used in India comes from Surat. The Middle East is the major export market followed by Asian countries for Surat textile products. Surat textile items are exported to various more than 80 different countries.

Surat textile industry has grown considerably over time. Council had 2448 members during 2018-19 and out of these around 886 was from Gujarat and majority from Surat. Of which 424 were new and 462 were renewed members.

During the year 2018-19 526 Certificates of Origin were processed from the Surat region. Visa recommendation letters were also issued to members from the region for their overseas visits abroad for business purposes.

At the regional office, members from the region were contacted over phone and met personally for mobilizing their participation in the Exhibitions. Guidance was also provided to member-exporters regarding procedures to avail MDA benefit. MDA application forms were collected from member-exporters and after scrutiny sent to the Head Office. Various queries related to MDA scheme were also answered suitably.

On 13<sup>th</sup> April 2018 a delegation of members was organized for an Interactive Session and Hazira Port visit. The aim of this visit was to make members aware about the port facilities and other logistics provided. Arrangements were also carried out for COA meeting was also organized to discuss various important points in connection with our upcoming event "Source India 2018" the same day. Necessary arrangements were also made for holding a COA meeting on 26<sup>th</sup> May 2018. A Regional Committee Meeting was organized to discuss various issues related to duty drawback and pending RoSL.

A Meeting was arranged on 11<sup>th</sup> June 2018 with the Drawback Committee which visited Surat from 10.6.2018 to 12.6.2018 to interact with MMF fabric weavers and processors. The Drawback committee also visited four weaving units, one knitting unit and one processing unit on 11<sup>th</sup> June. A press meet was organized on 8<sup>th</sup> June 2018 in connection with the visit of Drawback committee.

Road show in connection with RBSM 2018 and COA meeting was organized on 11<sup>th</sup> July 2018 in Ahmedabad. Members based in Ahmedabad were called up and invited for the Show. Invitations were also sent to press representatives for the road show.

SRTEPC Surat office participated in the "Textile and Plastics Investors' Conclave" on 2<sup>nd</sup> September 2018 organized by Indian Oil Corporation Ltd. Swachhta Pakwada from 1<sup>st</sup> to 15<sup>th</sup> November 2018 was observed by the Surat Regional Office.



## EXPORT AWARD FUNCTION 2017 - 18



On the dais at the Export Award Function from l to r Shri Sri Narain Aggarwal, the then 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 Rughani, the then Vice-Chairman, SRTEPC.



Shri J. Raghunath, Sr. Vice President, Reliance Industries Ltd. receiving the Best Overall Export Performance Award for the year 2017-18 from the Hon'ble Union Minister of Textiles Smt. Smriti Zubin Irani.



Shri Suraj Bahirwani, President, Sales & Marketing, Grasim Industries Ltd. receiving the Second Best Overall Export Performance Award for the year 2017-18 from Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.



Shri Rahul Gupta, Director, Wellknown Polyesters Ltd. receiving the Third Best Overall Export Performance Award for the year 2017-18 from the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.



Shri Ashutosh Sharma, Vice President, RSWM Ltd. receiving the Fourth Best Overall Export Performance Award for the year 2017-18 from the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.



Shri Sri Narain Aggarwal, the then Chairman, SRTEPC felicitating the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani with a shawl



Shri Ronak Rughani, the then Vice Chairman, SRTEPC presenting a memento to the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani



Shri Anil Rajvanshi, Immediate past Chairman and Convenor, Export Award Committee, SRTEPC welcoming the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani with a bouquet of flowers



Shri Ganesh Kumar Gupta, President, FIEO receiving the Life Time Achievement Award from Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles



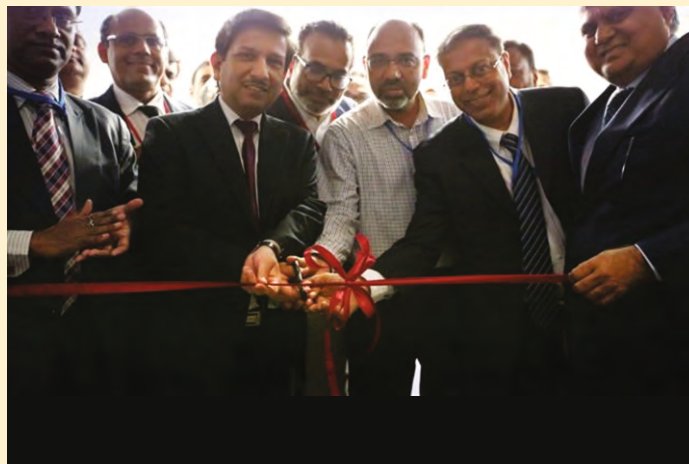
A view of the audience at the Function



## EXHIBITIONS / FAIRS / DELEGATION



*Inauguration of "India Pavilion" at HFW by Shri Narayan Singh, Consul of the Indian Consulate in Hong Kong*



*Shri Charanjeet Singh, Acting High Commissioner of India (second from left); Shri Manish Singh, Minister (Economic) (fourth from left) and Shri Saitkat Sen Sharma, Conselor (Economic) (fifth from left) inaugurating the "India Pavilion" at Textfusion London*



*H. E Shri M. Subbarayudu, Ambassador of India in Peru inaugurating the "India Pavilion" at the Expotextil Peru*



*H. E. Shri Ravi Bangar, Ambassador of India to Colombia interacting with Shri Ashish Mahajan, CoA member, representing one of our member companies at Colombiatex*



*Shri Sri Narain Aggarwal, the then Chairman (eighth from left) and Shri Ronak Rughani, the then Vice Chairman, SRTEPC (fourth from left) along with the other members of the High Level Delegation to Japan*



*Mr. Niravkumar B. Sutaria, Charge d'Affaires inaugurating "India Pavilion" with the presence of the local Dignitaries including Mr. Jawad Kordoudi, CG of Consulate General of India in Casablanca at Morocco Fashion & Tex*



## EXHIBITIONS / FAIRS / DELEGATION



*Shri Sri Narain Aggarwal, the then Chairman SRTEPC discussing issues regarding MMF textiles with Shri Suresh Prabhu, the then Hon'ble Union Minister of Commerce & Industry at 'Vibrant Gujarat 2019'*



*The interactive session "Yarn Industry – Growth driven by Innovation and Value addition" in progress on 4<sup>th</sup> May 2018 at "Farm to Fashion", the Indian Textile Global Summit. Seen in the picture on extreme right, Shri Sri Narain Aggarwal, the then Chairman, SRTEPC, one of the speakers at the Interactive Session*



*Visitors at the Booth of the Council at Global Textile Technology & Engineering Show (GTES) 2019*



*View of Council's booth at the Buyer Seller Meet in Bhiwandi*



## SOURCE INDIA 2018



Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles inaugurating the SOURCE INDIA 2018. Also seen in picture from l to r Smt. Darshana V. Jardosh, Member of Parliament, Surat; Shri Dhiraj Shah, the then Surat Regional Committee Chairman; Shri Sri Narain Aggarwal, the then Chairman, SRTEPC; Shri Anil Rajvanshi, immediate past Chairman and Convenor of SOURCE INDIA 2018, SRTEPC and Shri Rakesh Mehra, former Chairman, SRTEPC



Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles; Smt. Darshana V. Jardosh, Member of Parliament, Surat and Shri Sri Narain Aggarwal, the then Chairman, SRTEPC lighting the traditional lamp at the SOURCE INDIA 2018

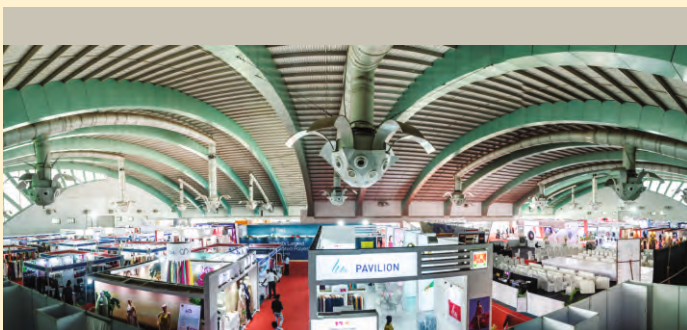


Shri Sri Narain Aggarwal, the then Chairman, SRTEPC welcoming the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani with a bouquet of flowers



Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles addressing the audience at the inauguration of SOURCE INDIA 2018. Also seen on the dais from l to r Shri Ronak Rughani, the then Vice Chairman, SRTEPC; Shri Anil Rajvanshi, immediate past Chairman & Convenor of SOURCE INDIA 2018, SRTEPC; Shri Sri Narain Aggarwal, the then Chairman, SRTEPC; Smt. Darshana V. Jardosh, Member of Parliament, Surat and Shri Dhiraj Shah, the then Surat Regional Committee Chairman

## View of the SOURCE INDIA 2018





## MEETINGS / SEMINARS / WORKSHOPS



Meeting with the then Hon'ble Union Minister of Commerce & Industry, Shri Suresh Prabhu (centre) from l to r Shri Ronak Rughani, the then Vice Chairman; Shri Sri Narain Aggarwal, the then Chairman and Shri S. Balaraju, Executive Director



Shri Sri Narain Aggarwal, the then Chairman, SRTEPC making a presentation of the MMF textile industry and the Council before the Secretary Textiles, Shri Raghvendra Singh



Shri Ronak Rughani, the then Vice Chairman, SRTEPC introducing Shri Arivazhagan, Joint Commissioner GST (Refunds) of Mumbai South to the members at the GST Camp held in the Council on 14<sup>th</sup> May 2018



Session during the Workshop on "Export Risks Management & Insurance Solutions" in progress



Workshop on GSTR 9 at the Council in progress



View of the audience at the Seminar at "Liva Studio" Tiruppur



◀ Dignitaries at the Texvalley Erode Seminar from l to r Shri M. Balasubramaniam, Dy. Director & Officer-in-charge, Regional office of the Textile Commissioner, Coimbatore; Shri S. Balaraju, Executive Director, SRTEPC; Shri C. Devarajan, Vice-Chairman, Texvalley Market Pvt. Ltd.; Shri Durai Palanisamy, Director, Pallavaa Group & Member-committee of Administration, SRTEPC; Shri V. T. Karunanithi, MD, Guru Karunaa Textiles



## MEETINGS



Members of the Drawback Committee interacting with the then Chairman of SRTEPC, Shri Sri Narain Aggarwal



Members of the Drawback Committee interacting with Shri Sri Narain Aggarwal, the then Chairman, SRTEPC and other Regional SRTEPC members present at the Drawback Meeting in Surat. Seen on the dais from l to r : Shri Agarwal; Shri Dhiraj Raichand Shah; Shri Y. G. Parande, Member, Drawback Committee; Shri Gautam Ray, Member, Drawback Committee; Shri Anand Kumar Jha, Under Secretary (Drawback) and Officers from the GST Commissionerate, Surat.

## SWACHHTA HI SEVA & SWACHHTA PAKWADA AT COUNCIL



**AUDITED BALANCE SHEET**

**AND**

**INCOME & EXPENDITURE ACCOUNT**

**2018-19**

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Sixty Fifth Annual Report of the The Synthetic & Rayon Textiles Export Promotion Council together with the audited financial statements for the financial year ended March 31, 2019.

### 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 31<sup>st</sup> March, 2019, Profit & Loss Account & Cash Flow Statement for the year ended 31st March, 2019.

The Statement of Profit & Loss Account for the year after providing for all known and anticipated charges discloses an excess Income of ₹ 1,30,37,302.83 over Expenses during the year. Last years Surplus is ₹ 98,50,732.23 and after adding Profit for the current year leaves a balance of ₹ 21,80,63,516.37.

An amount of ₹ 2,30,81,480.99 shown as Non-Current & Current Liabilities in the Balance Sheet includes [Trade Payable (outstanding bills) etc. ₹ 62,53,742.60 Employee Related Liabilities ₹ 11,37,653/-, Liability for Leave Encashment ₹ 39,15,594/-, Grant-in-Aid payable towards Re-imbursement to Individual Exporters ₹ 16,40,632.00, Liability for Statutory Dues ₹ 2,99,203/- Anti-Dumping Investigation Expenses-Turkey (Net Balance) ₹ 41,29,917.75 & Other Current Liabilities ₹ 57,04,738.64.

### 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

	3089
Following members have been added during the year	: 550
Following members have ceased to be the members of the Council	: 1192
At present the total number of members stands at	: 2447

### Directors

In terms of Article 9.1 (b) of the Articles of Association, the following members of the Committee of Administration Shri Shaleen Toshniwal (Manufacturer), Shri Ravindra Arya (SSI), Shri Sri Narain Aggarwal (SSI) as per Article 27.7 (d), Shri S.K. Khandelwa (Status Holder), Shri Ronak Rughani (Status Holder) (seat reserved as per Article 27.7d), Shri Anil Kumar Gupta (Status Holder), Shri Sanjay Kumar Verma (General), Shri Bhalesh R. Mehta (General), Shri Dhiraj Raichand Shah (General) (Seat reserved as per 27.7d), Shri Ahmed Abdul Sattar Khatri (Merchant), Shri Sailesh Goenka (Merchant) 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 and the Company he represents 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. However, in case a Member becomes Vice-Chairman/Chairman at any time during the three terms period, or is the Chairman/Vice-Chairman on the date of approval of this AOA, he will be permitted to complete the full tenure of his term. In case the member fails to be elected as Vice-Chairman at the first meeting of the COA immediately after the AGM during the immediate year following the three terms, such a member will resign forthwith.

## DIRECTORS' REPORT

### Number of Meetings of the Board

The Board of Directors duly met 4 times respectively on 26.05.2018, 11.07.2018, 21.09.2018, 7.03.2019 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.

### 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 2020.

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, 2019 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.

### 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.



## DIRECTORS' REPORT

### **(B) Research and Development**

The Company at present has no Research and Development Facilities.

### **(C) Foreign Exchange Earnings and Outgo :**

- |                                |   |                |
|--------------------------------|---|----------------|
| 1. Foreign Exchange Earnings – | ₹ | NIL            |
| 2. Foreign Exchange Outgo –    | ₹ | 2,61,52,662.62 |

### **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, 2019, 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 : 02<sup>nd</sup> August 2019**



## 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 31<sup>st</sup> March 2019

[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 : 13<sup>TH</sup> 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	-	27.83
2	Contribution towards Participation for BSMs & Trade Fairs	-	48.81

## 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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other _____									
<b>Sub-total (A) (1) :</b>	<b>- N A -</b>								
<b>(2) Foreign</b>									
a) NRIs - Individual									
b) Other - Individual									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other _____									
<b>Sub-total (A) (2) :</b>									
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>									

## EXTRACT OF ANNUAL RETURN

<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
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)									
<b>Sub-total (B) (1) :</b>	<b>-N A-</b>								
<b>(2) Non - Institutions</b>									
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)									
<b>Sub-total (B) (2) :</b>									
<b>Total Public shareholding (B) = (B) (1) + (B) (2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>									

## 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			- NA -				
3	Indian Banks' Association							
	<b>Total</b>							

### (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) :		- NA -		
	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.	For each of the Top 10 Shareholders	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 Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)		- NA -		
	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.	For each of the Directors and KMP	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 Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)		- NA -		
	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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total ( i + ii + iii)</b>				
<b>Change in Indebtedness during the financial year</b>		- NA -		
• Addition				
• Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>				

### 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	<b>Gross salary</b> (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		- NA -			

## EXTRACT OF ANNUAL RETURN

	under section 17(3) Income -tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission  - as % of profit - others, specify		- NA -			
5	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

### 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		- NA -			
	Total (2)					
	Total (B) = (1 + 2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

## EXTRACT OF ANNUAL RETURN

### 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/s17(2) Income- tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option		- NA -		
3	Sweat Equity				
4	Commission - as % of profit - others, specify				
5	Others, please specify				
	<b>Total</b>				

### 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)
<b>A. COMPANY</b>					
Penalty					
Punishment			- NA -		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

# INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**The Synthetic and Rayon Textiles Export Promotion Council**

## **Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of The Synthetic and Rayon Textiles Export Promotion Council ('the Company') which comprise the Balance Sheet as at 31 March 2019 and the Statement of Profit and Loss for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view 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, of the state of affairs of the Company as at 31 March 2019, and its profit for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance in accordance with the accounting principles generally accepted in India including the accounting standards specified under section 133 of the Act. 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



# INDEPENDENT AUDITORS' REPORT

## **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant ethical regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Report on Other Legal and Regulatory Requirements**

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.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

## INDEPENDENT AUDITORS' REPORT

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- d) In our 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 31 March 2019 and taken on records by the Board of Directors, none of the directors are disqualified as on 31 March 2019 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 our opinion and to the best of our information and according to the explanations given to us;
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For N. P. Jhaveri & Associates  
Chartered Accountants  
Firm Registration No. 104237W

Mumbai:

Date : 2<sup>nd</sup> August 2019

Nitin P. Jhaveri  
Proprietor  
Membership No. 033851

# INDEPENDENT AUDITORS' REPORT

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

**Referred to in para (f) of Report on Other Legal and Regulatory Requirements in 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 31<sup>st</sup> March, 2019 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 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.

# INDEPENDENT AUDITORS' REPORT

## 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 31<sup>st</sup> March, 2019 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 & Associates

Chartered Accountants  
Firm Registration No. 104237W

Mumbai :  
Date : 2<sup>nd</sup> August 2019

Nitin P. Jhaveri  
Proprietor  
Membership No. 033851

# BALANCE SHEET

## THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

### BALANCE SHEET AS AT 31st March, 2019

	Note No	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
<b>LIABILITIES :</b>			
<b>CAPITAL FUND :</b>			
Reserves and Surplus	1	25,90,24,266.37	24,54,36,963.54
<b>NON-CURRENT LIABILITIES :</b>			
Long-Term Provisions	2	33,29,130.00	38,77,002.00
<b>CURRENT LIABILITIES :</b>			
Trade Payables	3	62,53,742.60	9,85,634.60
Other Current Liabilities	4	1,29,12,144.39	1,11,45,195.75
Short Term Provisions	5	5,86,464.00	10,63,407.00
		1,97,52,350.99	1,31,94,237.35
<b>TOTAL :</b>		<b>28,21,05,747.36</b>	<b>26,25,08,202.89</b>
<b>ASSETS :</b>			
<b>NON-CURRENT ASSETS :</b>			
Tangible Fixed Assets	6	39,18,597.00	41,50,115.04
Tangible Work-in-Progress		2,09,38,359.00	2,09,38,359.00
		2,48,56,956.00	2,50,88,474.04
Long Term Loans and Advances	7	1,88,46,289.62	1,58,72,355.31
<b>CURRENT ASSETS :</b>			
Cash and Bank Balances	8	21,77,67,359.44	20,42,27,528.82
Short Term Loans and Advances	9	30,48,413.20	21,17,432.20
Other Current Assets	10	1,75,86,729.10	1,52,02,412.52
		23,84,02,501.74	22,15,47,373.54
<b>TOTAL :</b>		<b>28,21,05,747.36</b>	<b>26,25,08,202.89</b>
Notes to the Financial Statements and Significant Accounting Policies	1 To 29		

In terms of our report attached.  
**For N.P. JHAVERI & ASSOCIATES**  
**Chartered Accountants**  
**(Firm Registration No.104237W)**

**For and on behalf of the Committee of Administration**

**RONAK RUGHANI**  
Chairman

**DHIRAJ SHAH**  
Vice-Chairman

**(N.P. JHAVERI)**  
Proprietor

**SRI NARAIN AGGARWAL**  
Former Chairman

**Sampathirao Balaraju**  
Executive Director Cum Secretary

Place : Mumbai  
Date : 2nd August, 2019

Place : Mumbai  
Date : 2nd August, 2019



# PROFIT AND LOSS A/C

## THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2019

	Note No	Year ended 31st March, 2019 ₹	Year ended 31st March, 2018 ₹
<b>REVENUE :</b>			
Revenue from Operations	11	5,81,74,161.76	4,30,61,294.00
Other Income	12	1,59,20,019.40	1,60,30,150.84
<b>TOTAL REVENUE</b>		<b>7,40,94,181.16</b>	<b>5,90,91,444.84</b>
<b>EXPENSES :</b>			
Employee Benefits Expense	13	1,78,63,531.00	1,67,61,328.40
Finance Charges	14	65,318.00	996,753.00
Depreciation and Amortisation Expense [Refer Note 27]	6	4,96,929.04	6,21,359.99
Other Expenses	15	4,26,31,100.29	3,08,61,271.22
<b>TOTAL EXPENSES</b>		<b>6,10,56,878.33</b>	<b>4,92,40,712.61</b>
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>1,30,37,302.83</b>	<b>98,50,732.23</b>
Notes to the Financial Statements and Significant Accounting Policies	1 To 29		

In terms of our report attached.

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

**For and on behalf of the Committee of Administration**

**RONAK RUGHANI**  
Chairman

**DHIRAJ SHAH**  
Vice-Chairman

**(N.P. JHAVERI)**  
Proprietor

**SRI NARAIN AGGARWAL**  
Former Chairman

**Sampathirao Balaraju**  
Executive Director Cum Secretary

Place : Mumbai  
Date : 2nd August, 2019

Place : Mumbai  
Date : 2nd August, 2019

# CASH FLOW

## THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2019

	Year ended 31st March, 2019 ₹	Year ended 31st March, 2018 ₹
<b>A Cash Flow from Operating Activities</b>		
Profit Before Tax	1,30,37,302.83	98,50,732.23
Add / (Deduct)		
Depreciation & Amortisation Expenses	4,96,929.04	6,21,359.99
Credit Balances Written Back	-	-
Interest Income	(145,11,624.07)	(1,44,10,264.53)
(Profit) / Loss on Sale of Fixed Assets	-	278.00
Finance Costs	65,318.00	9,96,753.00
<b>Operating Profit before Working Capital Changes</b>	<b>(9,12,074.20)</b>	<b>(29,41,141.31)</b>
Add / (Deduct)		
Increase / (Decrease) in Trade and Other Payables	60,10,241.64	(23,49,402.60)
(Increase) / Decrease in Trade and Other Receivables	(34,39,982.58)	(1,49,98,013.80)
<b>Cash generated from Operations</b>	<b>16,58,184.86</b>	<b>(202,88,557.71)</b>
Direct Taxes paid (net of refunds)	(29,73,934.31)	(19,70,186.16)
<b>Net Cash from Operating Activities</b>	<b>(13,15,749.45)</b>	<b>(222,58,743.87)</b>
<b>B Cash Flow from Investing Activities</b>		
Additions to Tangible Fixed Assets	(2,65,411.00)	(54,038.00)
Fixed Deposit Investment (Net)	(1,49,80,758.47)	2,42,75,069.49
(Original maturity of more than 3 Months)		
Sale of Tangible Fixed Assets	-	2,314.00
Interest Received	1,46,36,309.07	1,45,36,214.53
<b>Net Cash from / (used in) Investing Activities</b>	<b>(6,09,860.40)</b>	<b>3,87,59,560.02</b>
<b>C Cash Flow from Financing Activities</b>		
Entrance Fees Received	5,50,000.00	10,48,000.00
(Unspent Grant-in-Aid from Government of India refunded) / Unspent Grant-in-Aid received from Government of India (Net)	-	(141,17,000.00)
Finance Costs	(65,318.00)	(90,874.00)
<b>Net Cash from / (used in) Financing Activities</b>	<b>4,84,682.00</b>	<b>(131,59,874.00)</b>
<b>Net Cash Flows during the year (A + B + C)</b>	<b>(14,40,927.85)</b>	<b>33,40,942.15</b>
Cash & Cash Equivalents (Opening Balance)	38,73,955.64	5,33,013.49
Cash & Cash Equivalents (Closing Balance)	24,33,027.79	38,73,955.64
<b>Net (Decrease) / Increase in Cash &amp; Cash Equivalents</b>	<b>(14,40,927.85)</b>	<b>33,40,942.15</b>

In terms of our report attached.  
**For N.P. JHAVERI & ASSOCIATES**  
Chartered Accountants  
(Firm Registration No.104237W)

For and on behalf of the Committee of Administration

**RONAK RUGHANI**  
Chairman

**DHIRAJ SHAH**  
Vice-Chairman

**(N.P. JHAVERI)**  
Proprietor

**SRI NARAIN AGGARWAL**  
Former Chairman

**Sampathirao Balaraju**  
Executive Director Cum Secretary

Place : Mumbai  
Date : 2nd August, 2019

Place : Mumbai  
Date : 2nd August, 2019

## NOTES

### THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

#### NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
<b>Note 1 - Reserves and Surplus</b>		
<b>Entrance Fees :</b>		
Balance as at the beginning of the year	2,04,10,750.00	1,93,62,750.00
Add : Received during the year	5,50,000.00	10,48,000.00
Balance as at the end of the year	<u>2,09,60,750.00</u>	<u>2,04,10,750.00</u>
<b>Surplus :</b>		
Balance as at the beginning of the year	20,50,26,213.54	19,51,75,481.31
Add : Profit for the year	1,30,37,302.83	98,50,732.23
Less : Transferred to Building Fund	-	-
Balance as at the end of the year	<u>21,80,63,516.37</u>	<u>20,50,26,213.54</u>
<b>Building Fund</b>		
Balance as at the beginning of the year	20,000,000.00	20,000,000.00
Transferred from Surplus	-	-
	<u>20,000,000.00</u>	<u>20,000,000.00</u>
<b>TOTAL -</b>	<u><u>25,90,24,266.37</u></u>	<u><u>24,54,36,963.54</u></u>
<b>Note 2 - Long-Term Provisions :</b>		
Provision for Leave Encashment	33,29,130.00	38,77,002.00
	<u>33,29,130.00</u>	<u>38,77,002.00</u>
<b>Note 3 - Trade Payables :</b>		
Due to Micro and Small Enterprises	-	-
Due to Creditors other than Micro and Small Enterprises	62,53,742.60	9,85,634.60
<b>TOTAL -</b>	<u><u>62,53,742.60</u></u>	<u><u>9,85,634.60</u></u>

## NOTES

### THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

#### NOTES TO THE FINANCIAL STATEMENTS

As at 31st	As at 31st
March, 2019	March, 2018
₹	₹

**Note 4 - Other Current Liabilities :**

**Other Payables :**

Liability for Statutory Dues	2,99,203.00	2,70,150.00
Government Grant-in-Aid received for Re-imbursement to Individual Exporters Carried Forward - [Refer Note 22 (iii)]	16,40,632.00	16,40,632.00
Employee Related Liabilities	11,37,653.00	3,92,266.00
Expiry review of Anti Dumping Duty - Turkey (Net Balance [Refer Note 23])	41,29,917.75	41,29,917.75
Other Liabilities	57,04,738.64	47,12,230.00
<b>TOTAL -</b>	<b><u>1,29,12,144.39</u></b>	<b><u>1,11,45,195.75</u></b>

**Note 5 - Short Term Provisions :**

Provision for Leave Encashment	5,86,464.00	10,63,407.00
<b>TOTAL -</b>	<b><u>5,86,464.00</u></b>	<b><u>10,63,407.00</u></b>

## NOTES

### THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

#### Note 6 - Tangible Fixed Assets

Particulars	Buildings	Furnitures, Fixtures & Electrical Fittings	Office Equipments	Motor Car	Computers	Total 31-03-2019	Previous Year 31-3-2018
	₹	₹	₹	₹	₹	₹	₹
<b>GROSS BLOCK :</b>							
Balance as at 1-4-2018	59,55,903.80	71,68,958.77	43,31,573.69	10,25,775.72	56,58,849.15	<b>2,41,41,061.13</b>	2,41,06,523.13
Additions during the year	-	-	1,47,863.00	-	1,17,548.00	<b>2,65,411.00</b>	54,038.00
Sub-Total	59,55,903.80	71,68,958.77	44,79,436.69	10,25,775.72	57,76,397.15	<b>2,44,06,472.13</b>	2,41,60,561.13
Deductions during the year	-	-	-	-	-	-	19,500.00
Gross Block As At 31-03-2019	59,55,903.80	71,68,958.77	44,79,436.69	10,25,775.72	57,76,397.15	<b>2,44,06,472.13</b>	2,41,41,061.13
<b>DEPRECIATION :</b>							
Provided upto 1-4-2018	30,95,243.02	66,90,690.39	39,73,288.98	7,58,667.24	54,73,056.46	<b>1,99,90,946.09</b>	1,93,86,494.10
Adjusted against Retained Earnings [Refer Note 26]	-	-	-	-	-	-	-
Depreciation provided during the year	1,38,128.00	35,452.00	1,32,923.00	83,418.00	1,07,008.04	<b>4,96,929.04</b>	621,359.99
Sub-Total	32,33,371.02	67,26,142.39	41,06,211.98	8,42,085.24	55,80,064.50	<b>2,04,87,875.13</b>	2,00,07,854.09
Deductions during the year	-	-	-	-	-	-	16,908.00
Total Depreciation upto 31-03-2019	32,33,371.02	67,26,142.39	41,06,211.98	8,42,085.24	55,80,064.50	<b>2,04,87,875.13</b>	1,99,90,946.09
<b>NET BLOCK as at 31-03-2019</b>	<b>27,22,532.78</b>	<b>4,42,816.38</b>	<b>3,73,224.71</b>	<b>1,83,690.48</b>	<b>1,96,332.65</b>	<b>39,18,597.00</b>	<b>41,50,115.04</b>
As At 31-3-2018	28,60,660.78	4,78,268.38	3,58,284.71	2,67,108.48	1,85,792.69	<b>41,50,115.04</b>	



# NOTES

## THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
<b>Note 7 - Long Term Loans and Advances :</b>		
Unsecured - Considered Good		
Deposits	13,20,020.00	13,20,020.00
Tax Deducted at Source / Income Tax payments	1,75,26,269.62	1,45,52,335.31
	<b>1,88,46,289.62</b>	<b>1,58,72,355.31</b>
<b>Note 8 - Cash and Bank Balances :</b>		
Cash and Cash equivalents		
Cash on Hand	44,300.00	72,544.00
Balances with Banks in Current Accounts	23,88,727.79	38,01,411.64
	<b>24,33,027.79</b>	<b>38,73,955.64</b>
Other Bank Balances :		
Fixed Deposit with Banks	21,53,34,331.65	20,03,53,573.18
(Original Maturity more than 3 Months)		
	<b>21,77,67,359.44</b>	<b>20,42,27,528.82</b>
<b>Note 9 - Short Term Loans and Advances :</b>		
Unsecured - Considered Good		
Advance with LIC Staff Superannuation Fund	20,74,132.00	15,63,721.00
Advance with LIC Staff Gratuity Fund	9,48,263.00	517,447.00
Other Advances	26,018.20	36,264.20
<b>TOTAL -</b>	<b>30,48,413.20</b>	<b>21,17,432.20</b>
<b>Note 10 - Other Current Assets :</b>		
Grant-in-Aid Receivable from Government of India (MAI)	1,23,70,853.00	1,00,60,000.00
[Refer Note 22 (I)]		
Prepaid Expenses	47,701.00	38,208.52
Other Receivables	27,79,971.00	38,68,824.00
Balances with Govt Authorities	22,22,867.10	9,46,459.00
Interest Accrued on Fixed Deposits	1,64,236.00	2,88,921.00
Receivable from Government of India for Reimbursement to Individual Exporters MAI ( refer note 22 (iv) )	1,101.00	-
<b>TOTAL -</b>	<b>1,75,86,729.10</b>	<b>1,52,02,412.52</b>

# NOTES

## THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
<b>Note 11 - Revenue from Operations</b>		
Membership Subscription	2,05,50,000.00	2,32,73,000.00
Registration cum Membership Fees	72,300.00	1,18,900.00
<b>Contribution towards Participation for BSMs &amp; Trade Fairs :</b>		
Colombiatex Fair	4,800,000.00	0.00
Expotextil Peru	1,990,538.00	0.00
Hong Kong Fashion Week for Spring/Summer	3,294,000.00	0.00
Morocco International Textile & Accessories Fair	3,566,000.00	0.00
Texfusion UK	2,599,000.00	0.00
Source India 2018	19,916,133.00	0.00
48th Textilelegprom Russia 2017	0.00	4,072,346.00
Intexpo Egypt (2017-18)	0.00	4,055,875.00
Textile India (2017-18)	0.00	9,663,500.00
	<b>3,61,65,671.00</b>	<b>1,77,91,721.00</b>
Collection from Members towards Publication	7,34,100.00	9,26,700.00
Certificate of Origin Issuance & Amendment Charges	77,321.19	58,544.00
SRTEPC Development Fees	3,67,050.00	4,63,350.00
Income from Council's Website	18,000.00	25,764.00
Publication of Council's Diary (Net)	0.00	213,299.00
(Previous Year Income Rs.488299/- Less Expenses Rs. 275000/-)		
Advertisement in Newsletter (Info SRTEPC)	1,62,645.57	1,23,156.00
Export Performance Certificates	10,000.00	35,000.00
SRTEPC Members Directory-2015	17,074.00	31,860.00
<b>TOTAL -</b>	<b>5,81,74,161.76</b>	<b>4,30,61,294.00</b>
<b>Note 12 - Other Income</b>		
Interest on Fixed Deposits with Banks	1,45,11,624.07	1,44,10,264.53
Interest on Other Deposits	-	20,727.66
Interest on Income Tax Refund	-	1,336.00
Credit Balances Written Back	10,826.00	459.93
Miscellaneous Receipts	89,715.77	22,224.72
Revenue from Export Award Function (Net)	13,07,853.56	15,75,138.00
(Current Year Income Rs.5774242/- Less Expenses Rs.4466388.44)		
(Previous Year Income Rs.5946434/- Less Expenses Rs.4371296)		
<b>TOTAL -</b>	<b>1,59,20,019.40</b>	<b>1,60,30,150.84</b>

# NOTES

## THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

As at 31st March, 2019	As at 31st March, 2018
₹	₹

#### Note 13 - Employee Benefit Expense

Salaries etc.	1,50,39,292.00	1,43,50,993.00
Council's contribution to Staff Provident Fund	11,70,873.00	13,35,285.00
Provision / Contribution to Staff Gratuity Fund	(70,688.00)	36,060.00
Staff Welfare Expenses (including Medical Benefits, Leave Travel Concession & Staff Group Insurance Premium)	9,26,573.00	10,97,951.40
Provision / Encashment of Privilege Leave [Refer Note - 21]	(76,768.00)	(1,87,166.00)
Provision / Contribution paid to LIC for Council's Superannuation Scheme	8,74,249.00	1,28,205.00
<b>TOTAL -</b>	<b>1,78,63,531.00</b>	<b>1,67,61,328.40</b>

#### Note 14 - Finance Charges

Other Interest (Interest on Govt. Grant-in-Aid)	65,318.00	9,96,753.00
	<b>65,318.00</b>	<b>9,96,753.00</b>

#### Note 15 - Other Expenses

##### A. Administrative Expenses

Rent	1,62,458.64	1,62,458.64
Property Taxes [Refer Note - 26]	3,79,210.00	24,91,950.00
Telephone / Fax Charges	1,89,441.00	1,59,127.18
Electricity Charges	4,74,510.00	4,78,541.66
Printing & Stationery	2,48,014.30	2,59,995.70
Travelling Expenses	10,73,069.88	11,74,759.76
Local Conveyance	45,237.00	59,781.00
Postage, Telegram & Telex Charges	1,94,051.94	2,23,347.15
Staff Motor Car Expenses	2,68,290.72	1,64,620.86
Expenses of Regional Offices	11,27,504.90	8,37,944.20
Miscellaneous Expenses	13,30,207.23	13,61,567.35
Insurance	7,025.00	4,688.00
Legal & Professional Fees (Including Audit Fees)	34,39,008.00	37,65,750.00
Software / Computer Data Processing Expenses	4,00,586.52	3,45,314.35
Repairs & Replacement Expenses	4,05,123.90	2,97,874.46
Annual General Meeting Expenses	1,01,490.00	1,73,748.00
Foreign Exchange Gain / (Loss) - (Net)	29,525.75	18,157.92
Loss on sale of Fixed Assets	-	278.00

**TOTAL (A) - 98,74,754.78 1,19,79,904.23**

# NOTES

## THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2019	As at 31st March, 2018
	₹	₹
<b>B. Direct Export Promotion Expenses</b>		
<b>Publication Expenses incurred in India :</b>		
For Members	12,05,131.26	12,31,365.03
For Export Promotion	-	-
	<b>12,05,131.26</b>	<b>12,31,365.03</b>
<b>Delegations :</b>		
High Level Textile Delegation to Kazakhstan	-	1,55,241.00
High Level Textile Delegation to Japan	10,16,031.25	-
	<b>10,16,031.25</b>	<b>1,55,241.00</b>
<b>Others :</b>		
Public Relation Expenses	4,68,302.00	1,61,654.00
Subscription to Publications & Ex-imp Data	98,898.00	1,93,706.00
Seminars / Workshops / Meetings	11,86,134.61	7,91,777.00
Membership Fees (Council's)	6,250.00	6,250.00
Advertisement in India	82,281.60	16,800.00
High Level Drawback Committee	67,939.00	-
Market Study for MMF Textile	6,00,000.00	1,46,967.00
	<b>25,09,805.21</b>	<b>13,17,154.00</b>
<b>Exhibitions : (Under MAI &amp; MDA Schemes)</b>		
Colombiatex Fair	74,00,873.83	-
Expotextil Peru	37,07,557.28	-
Hong Kong Fashion Week for Spring/Summer	56,79,663.60	-
Morocco International Textile & Accessories Fair	45,41,241.00	-
Texfusion UK	40,79,842.77	-
Source India 2018	3,40,02,630.31	-
48th FTF for App & Tex Moscow Russia (2017-18)	-	1,13,59,915.74
Intexpo, Egypt (2017-18)	-	71,61,482.80
Textile India 2017	-	2,62,54,522.42
	<b>5,94,11,808.79</b>	<b>4,47,75,920.96</b>
Less : Grant-in-Aid from Central Government (Net)	3,15,22,373.00	2,89,33,135.00
[Refer Note - 22 (i) & (ii)]		
	<b>2,78,89,435.79</b>	<b>1,58,42,785.96</b>
<b>Exhibitions : (Others)</b>		
Textile Karnataka 2018	1,02,750.00	3,34,821.00
Technotex	33,192.00	-
	<b>1,35,942.00</b>	<b>3,34,821.00</b>
<b>TOTAL (B) -</b>	<b>3,27,56,345.51</b>	<b>1,88,81,366.99</b>
<b>TOTAL (A + B) -</b>	<b>4,26,31,100.29</b>	<b>3,08,61,271.22</b>

## 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 & 2016-17. The disputed amount of Income Tax liability is ₹ 5,61,14,411/-. The Council has received decisions in its favour from the Appellate Tribunal for earlier years for the same disputed matters.
- The Income-Tax Appellate Tribunal had 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 filed appeals in the High Court of Judicature at Mumbai.

##### Other Matters :

- Claims against the Council for mesne profits ₹ 12,54,07,125/- (Previous Year ₹ 10,95,66,225/-).
- 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 provided 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) :

	2018-2019 ₹	2017-2018 ₹
As Auditors	50,000.00	50,000.00
For Taxation Matters	7,500.00	10,000.00
In Other capacity	19,250.00	27,000.00

#### Note 19 - Expenses of Regional Offices include Rent ₹ 2,36,915/- (Previous Year ₹ 96,691/-).

#### Note 20 - Contribution to Defined Contribution Plans :

	2018-2019 ₹	2017-2018 ₹
Provident Fund (Including for Regional Offices)	11,70,873.00	13,35,285.00



## 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 :

	<b>2018-2019</b> ₹	<b>2017-2018</b> ₹
Opening Balance of Grant-in-Aid Receivable	(1,00,60,000.00)	(11,01,000.00)
Amount received during the year	3,10,59,667.00	1,99,74,134.00
Add : Grant-in-Aid Receivable	1,23,70,853.00	1,00,60,000.00
<b>Total -</b>	<b>3,33,70,520.00</b>	<b>2,89,33,135.00</b>
Less : Amount refunded during the year	18,48,147.00	-
<b>Total -</b>	<b>18,48,147.00</b>	<b>-</b>
Amount Transferred to Export Promotion Expenses A/c * Includes adjustment of Rs. 1,75,333/- for short receipt of Grant-in-Aid for previous year ** Includes adjustment of Rs.5,81,000- for short receipt of Grant-in-Aid for previous year <b>(A)</b>	<b>*3,15,22,373.00</b>	<b>**2,89,33,135.00</b>

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

	<b>2018-2019</b> ₹	<b>2017-2018</b> ₹
Opening Balance of un-utilised Grant-in-Aid	-	43,67,000.00
Amount received during the year	-	-
<b>Total -</b>	<b>-</b>	<b>43,67,000.00</b>
Less : Amount refunded during the year	-	43,67,000.00
Less : Closing Balance of un-utilised Grant-in-Aid Payable	-	-
<b>Total -</b>	<b>-</b>	<b>43,67,000.00</b>
Amount Transferred to Export Promotion Expenses A/c <b>(B)</b>	<b>-</b>	<b>-</b>
Total amount transferred Export Promotion Expenses A/c <b>(A + B)</b>	<b>3,15,22,373.00</b>	<b>2,89,33,135.00</b>

## NOTES

### (iii) Grant under Market Development Assistance for Re-imbursement to Individual Exporters : (MDA)

	2018-2019 ₹	2017-2018 ₹
Opening Balance (receivable)/payable	16,40,632.00	1,13,90,637.00
Add : Amount received during the year	-	-
<b>Total -</b>	<b>16,40,632.00</b>	<b>1,13,90,637.00</b>
Less : Claims of Individual Exporters paid during the year	-	18,65,000.00
Less : Amount Refunded during the year	-	78,85,000.00
<b>Total -</b>	<b>-</b>	<b>97,50,000.00</b>
Closing Balance (receivable)/payable	<b>16,40,632.00</b>	<b>16,40,632.00</b>

### (iv) Grant under Market Development Assistance for Re-imbursement to Individual Exporters : (MAI)

	2018-2019 ₹	2017-2018 ₹
Opening Balance (receivable)/payable	-	-
Add : Amount received during the year	15,34,000.00	-
<b>Total -</b>	<b>15,34,000.00</b>	-
Less : Claims of Individual Exporters paid during the year	15,35,101.00	-
Less : Amount Refunded during the year	-	-
<b>Total -</b>	<b>15,35,101.00</b>	-
Closing Balance (receivable)/payable	<b>(1,101.00)</b>	-

**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 :

	2018-2019 ₹	2017-2018 ₹
(A) Expenditure incurred upto 31.03.2019	66,48,082.25	66,48,082.25
<b>Total Expenditure -</b>	<b>66,48,082.25</b>	<b>66,48,082.25</b>
(B) Collections from affected Members upto 31.03.2019	75,00,000.00	75,00,000.00
Government Grant-in-Aid received upto 31.03.2019	32,78,000.00	32,78,000.00
<b>Total Collections -</b>	<b>1,07,78,000.00</b>	<b>1,07,78,000.00</b>
(C) Balance carried forward to next year	<b>41,29,917.75</b>	<b>41,29,917.75</b>

**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 & Income in Foreign Exchange during the year :**  
**A) Expenses**

PARTICULARS	2018-2019 ₹	2017-2018 ₹
Hong Kong Fashion Week for Spring/Summer	55,33,513.00	-
Source India 2018	14,25,742.00	-
Texfusion UK	38,90,856.00	-
Expotextil Peru	34,96,525.62	-
Colombiatex Fair	68,82,249.50	-
Morocco International Textile & Accessories Fair	43,23,096.50	-
High-Level Delegation in Japan	5,00,680.00	-
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 Delegation to Kazakhstan	-	81,304.63
<b>Total -</b>	<b>2,61,52,662.62</b>	<b>2,05,23,127.63</b>

**B. Income**

PARTICULARS	2018-2019 ₹	2017-2018 ₹
Participation fees for Textile India 2017	-	11,31,573.44
Miscellaneous Income	-	19,134.00
<b>Total -</b>	<b>-</b>	<b>11,50,707.44</b>

**Note 26 -** During the previous year the Council has pursuant to demand notice received from Bhrihanmumbai Mahanagarpalika paid property Tax amounting to ₹ 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 ₹ 3,99,373.64 (Previous Year ₹ 2,59,149.64).

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

**Note 29 - Significant Accounting Policies :**

**I. Method of Accounting Employed :**

- The Council follows accrual system of accounting.
- 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.
- 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.

## NOTES

### 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.

### 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, 2<sup>nd</sup> August, 2019

Chairman

Vice-Chairman

Former Chairman

Executive Director Cum Secretary

## NOTES

### ANNEXURE - A

#### STATEMENT SHOWING THE HEADS OF ACCOUNT UNDER WHICH THE EXPENDITURE HAS BEEN IN EXCESS OF THE BUDGET PROVISION DURING THE YEAR 2018-19

Sr.No.	Heads of Accounts	Sanctioned Budget 2018-2019 ₹	Actual Expenditure 2018-2019 ₹	Excess Expenditure 2018-2019 ₹
—	—	—	—	—
	<b>TOTAL -</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(Excess Expenditure comes to ₹ NIL)



## REPRESENTATIVES OF INDIAN PARTICIPATING COMPANIES INTERACTING WITH FOREIGN BUYERS AT B2B MEETINGS



**REGISTERED OFFICE:**  
The Synthetic & Rayon Textiles Export Promotion Council  
Resham Bhavan, 78, Veer Nariman Road, Mumbai - 400 020. INDIA  
Tel.: 022-2204 8797, 2204 8690, 2204 0168, 6231 8282 • Fax.: 022-2204 8358, 2281 0091  
Email : srtepc@srtepc.in • Website : www.srtepc.in

**REGIONAL OFFICE:**  
New Delhi : Surya Kiran Building, Flat No. 602, 6th Floor,  
19, Kasturba Gandhi Marg, (Connaught Place), New Delhi - 110 001.  
Tel.: 011-2373 3090 / 92 • Fax.: 011-2373 3091 • Email : delhi@srtepc.in  
  
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Email : coimbatore@srtepc.in • Contact Person : Mr. N. Esakkimuthu (Mobile 09790167113)