

# 63<sup>rd</sup>

## ANNUAL REPORT

### 2016-2017



The Synthetic & Rayon Textiles  
Export Promotion Council

FIBRE • YARN • FABRICS • MADE-UPS • HOME TEXTILES





## COMMITTEE OF ADMINISTRATION



**Sri Narain Aggarwal**  
Chairman



**Ronak Rughani**  
Vice-Chairman

### MEMBERS



**Anil Rajbanshi**  
Reliance Industries Ltd.



**Vinod Kumar Ladia**  
Shree Rajasthan Syntex Ltd.



**M. L. Jhunjhunwala**  
RSWM Ltd.



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



**Praveen Kumar S. Sadh**  
Shree Krishna Dyg. & Ptg. Works



**Satish Agarwal**  
Topman Exports Ltd.



**Gulam Mohamed**  
S. K. Exports



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



**Manoj Agarwal**  
Shubhalakshmi Polyesters Ltd.



**Sailesh Goenka**  
P.D. Impex



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



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



**Vinod Kumar Singal**  
Aakash Textiles Exports Pvt. Ltd.



**Shaleen Toshniwal**  
Banswara Syntex Limited



**Anil Kumar Gupta**  
Wellknown Polyesters Ltd.



**Sanjay Kumar Verma**  
Grasim Industries Ltd.



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



**Dhiraj Raichand Shah**  
Fairdeal Filaments Ltd.

### EX-OFFICIO MEMBERS



**Ahmed Abdul Sattar Khatri**  
Yasmeen Silk Corporation



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



**Dr. Subrata Gupta**  
Joint Secretary (Exports)  
Govt. of India



**Puneet Agarwal**  
Joint Secretary  
Govt. of India



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



# NOTICE

Notice is hereby given that 63rd Annual General Meeting of the Council will be held on Thursday, 28th September, 2017 at 2.30 P.M. in the Capitol Hall, Vivanta – Taj President, 90, Cuffe Parade, Mumbai 400 005, to transact the following business:

1. To receive and adopt the Annual Report of the Committee of Administration for 2016-2017 as required under Article 34.2. of the Articles of Association of the Council.
2. To receive and adopt the Audited Balance Sheet as on 31st March 2017 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 Thursday, 21st September, 2017.**

3. To elect a member to the Committee of Administration in place of Shri Satish Agarwal (Manufacturer) who retires by rotation and is not eligible for re-election as per Article 27.7 d.
4. To elect a member to the Committee of Administration in place of Shri Vinod K. Ladia (Manufacturer) who retires by rotation and is not eligible for re-election as per Article 27.7 d.
5. To elect a member to the Committee of Administration in place of Shri Sri Narain Aggarwal (SSI) who retires by rotation and is eligible for re-election.
6. To elect a member to the Committee of Administration in place of Shri M L Jhunjhunwala (Status Holder) who retires by rotation and is not eligible for re-election as per Article 27.7 d.
7. To elect a member to the Committee of Administration in place of Shri Vijay K. Puri (Status Holder) who retires by rotation and is eligible for re-election.
8. To elect a member to the Committee of Administration in place of Shri Gulam Mohamed (Merchant Exporter) who retires by rotation and is not eligible for re-election as per Article 27.7 d.
9. In addition to the above six vacancies in the COA, there is a vacant seat in the SSI category.
10. To appoint Auditors from the conclusion of the meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
11. Special Business

To consider and if thought fit to pass with or without modification the following as an ordinary Resolution:

"RESOLVED THAT THE EXPENDITURE INCURRED IN EXCESS OF THE BUDGET ESTIMATES FOR THE YEAR 2016-2017 IN RESPECT OF CERTAIN HEADS AS MENTIONED IN ANNEXURE 'A' OF THE REPORT OF THE COMMITTEE OF ADMINISTRATION BE AND IS HEREBY CONFIRMED AND SANCTIONED".

By Order of the Committee of Administration

Sd/-

V. ANIL KUMAR

EXECUTIVE DIRECTOR CUM SECRETARY

Registered Office:  
'Resham Bhavan'  
78, Veer Nariman Road  
Mumbai 400 020  
Dated: 17<sup>th</sup> June, 2017

## ANNEXURE TO THE NOTICE

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

#### ITEM NO. 11

- (I) Though the total expenditure is less than the Budget Estimates, there is a small excess expenditure under certain heads over the budgeted provisions. These have been mentioned in Annexure `A' to the report of the Committee of Administration. The excess may be confirmed and sanctioned.

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

By Order of the Committee of Administration

Sd/-  
V. ANIL KUMAR  
EXECUTIVE DIRECTOR CUM SECRETARY

Registered Office:  
'Resham Bhavan'  
78, Veer Nariman Road  
Mumbai 400 020  
Dated: 17<sup>th</sup> June, 2017



## DESIGNATED HEADS OF THE SRTEPC

### SHRI SRI NARAIN AGGARWAL, CHAIRMAN, SRTEPC

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

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

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

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

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



### SHRI RONAK RUGHANI – VICE CHAIRMAN (CHAIRMAN ELECT) SRTEPC



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

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

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

### SHRI ANIL RAJBANSHI, IMMEDIATE PAST CHAIRMAN

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

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

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

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



# EXPORT PERFORMANCE

## EXPORTS OF INDIAN MAN-MADE FIBRE TEXTILES DURING APRIL – MARCH 2016-17

Exports of Indian MMF textiles during April-March 2016-17 were US\$ 5853.49 Million against US\$ 5767.25 Million during the same period of the previous year showing a growth of nearly 1.50%

Value in US\$ Million

	April-March 2016-17	April-March 2015-2016	Growth (%)
Fabrics	2018.67	2180.45	-7.42
Yarn	1796.11	1650.42	8.83
Made-ups	1441.59	1396.00	3.27
Fibre	597.12	540.38	10.50
Total	5853.49	5767.25	1.50

(SOURCE: MOC)

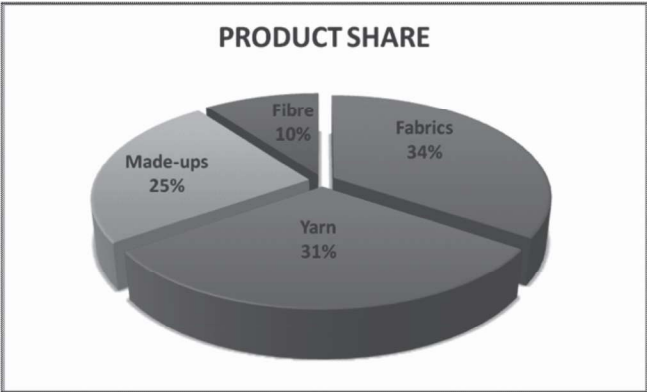
### HIGHLIGHTS

- Indian MMF textiles exports grew nearly 2% during April-March 2016-17 as compared to the same period of the previous year.
- Yarn, Made-ups and fibre segments have witnessed encouraging growth during April-March 2016-17; Viz, yarn by 8.83%, Made-ups by 3.27% and fibre by 10.50% whereas export of Fabrics declined by 7.42% .
- Exports of Fabrics dominated with 34% share followed by Yarn 31%, Made-ups 25% and Fibre 10% in the Indian MMF textile exports.
- Share of the value added segments like fabrics and Made-ups have increased to 59% of total exports.
- In the fabrics segment Polyester Filament Fabrics (US\$ 482.46 Million) remained the top exported product in India's MMF textile exports followed by Synthetic Filament Fabrics (US\$ 475.10 Million) and Polyester Viscose Fabrics (US\$ 332.39 Million) during April-March 2016-17.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth US\$ 1021.04 Million followed by Polyester Cotton Yarn (US\$ 165.00 Million) and Polyester Spun Yarn (US\$ 149.22 Million).

- In Made-ups, exports of Bulk Containers was the leading item with exports worth US\$ 461.45 Million followed by Muffler and Shawls/Scarves worth US\$ 203.29 Million and US\$ 146.00 Million respectively.
- Viscose Staple Fibre (US\$ 310.78 Million) was the leading item in the MMF category followed by Polyester Staple Fibre (US\$ 224.15 Million) and Acrylic Staple Fibre (US\$ 46.10 Million).
- UAE and USA were the leading markets for Indian MMF textiles during April-March 2016-17 with 10% share each in total exports.
- Neighboring country Pakistan has emerged as the 9th largest market for India's MMF textile export with a share of 2% during April-March 2016-17.
- Leading markets with positive growth are Brazil (82.52%), Italy (14.12%), Saudi Arabia (1.52%) and Belgium (0.85%)
- UAE and Turkey were the leading markets for Indian MMF Fabrics and USA was also the leading market for Indian MMF Made-ups during the period.

### PRODUCT SHARE

During April-March 2016-17, exports of Fabrics dominated in the total exports with 34% share, followed by Yarn 31%, Made-ups 25% and Fibre 10%.





# EXPORT PERFORMANCE

## FABRICS

Exports of Polyester Filament Fabrics dominated with a share of 24%.The major items of exports in this segment were Saree, Shirtings, Suiting, Narrow woven Fabrics, Tyre cord fabrics, Parachute Fabrics and Umbrella Cloth. It is heartening to note that exports of fabrics like Viscose Spun Fabrics and Polyester Spun Fabrics have registered significant growth of 73.17% and 31.55% respectively.

Value in US\$ Million

Products	April-Mar 2016-17	April-Mar 2015-16	Net Change	% Gr/dec
FABRICS (Woven+non-woven+knitted)				
Polyester Filament	482.46	555.57	-73.11	-13.16
Synthetic Filament	475.10	535.93	-60.83	-11.35
Polyester Viscose	332.39	358.78	-26.39	-7.36
Polyester Blended	190.04	213.71	-23.67	-11.08
Viscose Spun	84.04	48.53	35.51	73.17
Viscose Blended	49.64	45.29	4.35	9.60
Polyester Wool	47.25	52.22	-4.97	-9.52
Synthetic Cotton	46.94	52.24	-5.30	-10.15
Polyester Spun	44.24	33.63	10.61	31.55
Polyester Cotton	41.02	37.56	3.46	9.21
Nylon Filament	16.02	17.01	-0.99	-5.82
Synthetic Blended	12.31	20.63	-8.32	-40.33
Viscose Filament	10.75	12.73	-1.98	-15.55
Other Fabrics	186.47	196.62	-10.15	-5.16
Total Fabrics	2018.67	2180.45	-161.78	-7.42

## YARN

In the yarn segment, there is a growth of nearly 9% during 2016-17. Polyester Filament yarn continues to be the main export item with exports of USD 1021.04 Million; followed by Polyester Cotton Yarn at USD 165.00 Million, Polyester Spun yarn USD 149.22 Million. Exports of Viscose Spun yarn had witnessed significant growth of 33%.

Value in US\$ Million

YARN	April-Mar 2016-17	April-Mar 2015-16	Net Change	% Change
Polyester Filament	1021.04	918.58	102.46	11.15
Polyester Cotton	165.00	165.43	-0.43	-0.26
Polyester Spun	149.22	110.16	39.06	35.46
Polyester Viscose	117.99	130.37	-12.38	-9.50
Viscose Spun	104.36	78.50	25.86	32.94
Viscose Filament	49.69	52.41	-2.72	-5.19
Acrylic Spun	48.92	42.34	6.58	15.54
Synthetic Spun	34.51	34.24	0.27	0.79
Polyester Wool	22.30	23.75	-1.45	-6.11
Viscose Cotton	12.55	11.22	1.33	11.85
Artificial Spun	11.03	10.67	0.36	3.37
Nylon Filament	10.25	10.48	-0.23	-2.19
Acrylic Cotton	9.65	13.78	-4.13	-29.97
Other Yarn	39.60	48.47	-8.87	-18.30
Total Yarn	1796.11	1650.40	145.71	8.83

# EXPORT PERFORMANCE

## MADE-UPS

Export of Indian MMF Made-ups witnessed a growth of nearly 3.27% during 2016-17 as compared to the previous year. In Made-ups, export of Bulk Containers was the leading item with exports worth US\$ 461.45 Million followed by Muffler and Shawls/Scarves worth US\$ 203.29 Million and US\$ 146.00 Million respectively. USA was the leading market for Indian MMF Made-up during 2016-17.

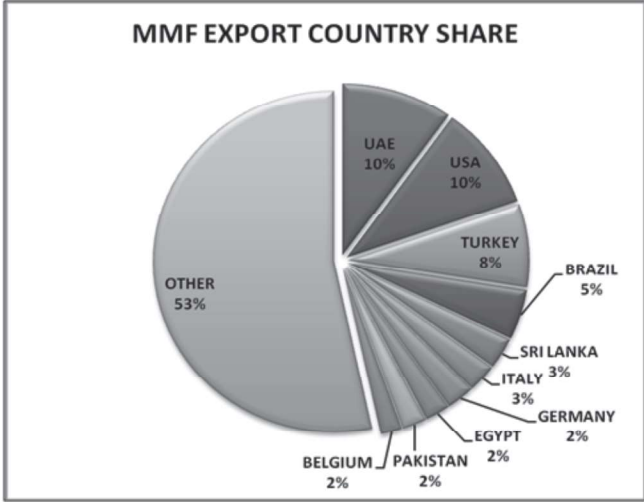
Value in US\$ Million				
MADE-UPS	April-Mar 2016-17	April-Mar 2015-16	Net Change	% Change
Bulk Containers	461.45	460.31	1.14	0.25
Muffler	203.29	177.87	25.42	14.29
Shawls/Scarves	146.00	144.56	1.44	1.00
Motifs	82.10	72.75	9.35	12.85
Fishing Net	49.23	46.60	2.63	5.64
Rope	38.19	23.68	14.51	61.28
Blanket	33.38	37.64	-4.26	-11.32
Bed Linen	20.69	23.13	-2.44	-10.55
Bedsheet	15.19	20.91	-5.72	-27.36
Dress Material	14.86	16.07	-1.21	-7.53
Life Jacket	11.65	11.98	-0.33	-2.75
Sacks and Bags	11.18	25.49	-14.31	-56.14
Braids	10.64	11.82	-1.18	-9.98
Furnishing Articles	10.27	12.96	-2.69	-20.76
Tulles	8.88	7.51	1.37	18.24
Curtains	8.60	10.20	-1.60	-15.69
Other Made-up	315.99	292.52	23.47	8.02
Total Made-ups	1441.59	1396.00	45.59	3.27

## FIBRE

Exports of Indian MMF Fibre grew by nearly 11% during 2016-17 as compared to the previous year. However, Viscose Staple Fibre (US\$ 310.78 Mn) was the main fibre in total exports followed by Polyester Staple fibre (US\$ 224.15Mn) and Acrylic Staple fibre (US\$ 46.10 Mn).

Value in US\$ Million				
FIBRE	April-Mar 2016-17	April-Mar 2015-16	Net Change	% Change
Viscose Staple	310.78	273.55	37.23	13.61
Polyester Staple	224.15	197.23	26.92	13.65
Acrylic Staple	46.10	55.45	-9.35	-16.86
Other Fibre	16.09	14.15	1.94	13.71
Total Fibre	597.12	540.38	56.74	10.50

## LEADING MARKETS





# EXPORT PERFORMANCE

## LEADING MARKETS

Value in US\$ Million

Sl No.	Country	April-Mar 2016-17	April-Mar 2015-16	Net Change	%Grw/ Decline
1	UAE	578.36	681.02	-102.66	-15.07
2	USA	570.37	526.83	43.54	8.26
3	TURKEY	464.90	467.92	-3.02	-0.65
4	BRAZIL	273.27	149.72	123.55	82.52
5	SRI LANKA	169.50	170.22	-0.72	-0.42
6	ITALY	155.71	136.44	19.27	14.12
7	GERMANY	148.66	154.94	-6.28	-4.05
8	EGYPT	131.07	146.75	-15.68	-10.68
9	PAKISTAN	126.02	198.97	-72.95	-36.66
10	BELGIUM	110.97	110.04	0.93	0.85
11	SAUDI ARABIA	66.98	65.98	1.00	1.52
12	NETHERLANDS	50.92	56.47	-5.55	-9.83

## MAJOR MARKETS FOR MMF FABRICS

Value in US\$ Million

Country	April-Mar 2016-17	April-Mar 2015-16	Net Change	%Grw/ Decline
UAE	335.27	469.3	-134.03	-28.56
TURKEY	464.9	467.92	-3.02	-0.65
SRI LANKA	170.22	169.5	0.72	0.42
BRAZIL	273.27	149.72	123.55	82.52
ITALY	155.71	136.44	19.27	14.12
PAKISTAN	66.32	134.97	-68.65	-50.86
USA	160.97	132.67	28.30	21.33
EGYPT	34.03	45.04	-11.01	-24.44
SAUDI ARABIA	27.68	24.6	3.08	12.52
BELGIUM	20.58	20.19	0.39	1.93
GERMANY	14.58	13.16	1.42	10.79

## MAJOR MARKETS FOR MMF YARN

Value in US\$ Million

Country	April-Mar 2016-17	April-Mar 2015-16	Net Change	%Grw/ Decline
TURKEY	375.46	376.5	-1.04	-0.28
BRAZIL	257.91	134.96	122.95	91.10
USA	61.7	66.71	-5.01	-7.51
BELGIUM	47.58	42.11	5.47	12.99
PAKISTAN	30.05	31.05	-1.00	-3.22
ITALY	26.15	25.24	0.91	3.61
SRI LANKA	22.6	20.92	1.68	8.03
GERMANY	21.18	19.72	1.46	7.40
UAE	13.79	14.46	-0.67	-4.63
SAUDI ARABIA	6.78	8.29	-1.51	-18.21
EGYPT	1.91	2.17	-0.26	-11.98

## MAJOR MARKETS FOR MMF MADE-UPS

Value in US\$ Million

Country	April-Mar 2016-17	April-Mar 2015-16	Net Change	%Grw/ Decline
USA	259.67	261.45	-1.78	-0.68
UAE	195.93	225.22	-29.29	-13.01
GERMANY	107.30	96.17	11.13	11.57
ITALY	73.58	89.08	-15.50	-17.40
NETHERLANDS	42.74	45.37	-2.63	-5.80
SAUDI ARABIA	30.85	32.09	-1.24	-3.86
BELGIUM	28.04	25.88	2.16	8.35
SRI LANKA	9.57	12.09	-2.52	-20.84
TURKEY	10.00	8.91	1.09	12.23
PAKISTAN	3.54	4.00	-0.46	-11.50
BRAZIL	6.67	3.58	3.09	86.31
EGYPT	6.75	3.57	3.18	89.08

## MEMBERSHIP

The Council had 3819 members  
as on 31<sup>st</sup> March, 2017.

## MEETINGS

### COMMITTEE OF ADMINISTRATION

The Council held four meetings of the Committee of Administration (COA) during the year. During these COA meetings, various issues like export promotion and strategies for augmenting the export growth pertaining to MMF textiles were discussed. Based on the suggestions received from the members, with regard to export policy issues and trade, various activities were planned towards achieving growth of MMF textile exports.

### ANNUAL GENERAL MEETING

The Council held its 62nd Annual General Meeting (AGM) on September 16, 2016 at Ambassador Hotel, Mumbai. Shri. Anil Rajvanshi, the then Chairman, Shri. Sri Narain Aggarwal, the then Vice Chairman, Shri. G K Gupta, former Chairman, members of COA, and member exporters of the Council were present at the AGM.

In the context of Indian textile exports, the then Chairman stated that exports of MMF textiles during the year 2015-16 had not been very encouraging. The exports of MMF textiles during the year 2014-15 was USD 6323.18 Million whereas during 2015-16 it was USD 5795.96 Million, witnessing a fall of over 8%. The exports in all four segments i.e. yarn, fabrics, made-ups, and fibre had declined.

Talking about Goods and Services Tax (GST), Shri Rajvanshi suggested that textile sector should have no exemptions and the entire value chain from raw materials to finished goods should fall under one GST rate.

### MEETINGS WITH HON'BLE MINISTER OF STATE FOR COMMERCE (IC)

#### Board of Trade Meeting

Shri Anil Rajvanshi, the then Chairman attended the Board of Trade meeting chaired by Smt. Nirmala Sitharaman, Hon. Minister of State for Commerce and Industry (IC) along with all the other Chairmen of Boards and EPCs to set targets for increased exports from India on April 6, 2016. He briefed the Hon. Minister about the exports of Indian man-made textile items and put forth various suggestions in this regard, including plugging of cheap imports of fabrics and reduction of excise duty on MMF textile industry.

Shri Rajvanshi and the then Vice Chairman Shri. Sri Narain Aggarwal along with the Executive Director attended the meeting held under the Chairmanship of Smt. Nirmala Sitharaman, Hon. Minister of State for Commerce and Industry (IC) to discuss on impact of demonetization to the industry on November 21, 2016.

Shri Sri Narain Aggarwal during the meeting appreciated the decision of the Hon'ble Prime Minister and agreed to take necessary action. However, he suggested that adequate time should be given for changing the cash payment into bank payment for releasing the wages of contract employees.

### MEETINGS WITH HONORABLE MINISTER OF TEXTILES

Shri Anil Rajvanshi, the then Chairman met Shri. Santosh Kumar Gangwar, the then Hon. Minister of State for Textiles (IC) on May 19, 2016 to discuss pending issues regarding high excise duties etc. on the MMF textiles. Hon. MOST assured to look into the issues and resolve the same. The then Chairman again met Shri. Gangwar on June 2, 2016 and June 28, 2016 to discuss the same issues and submitted the required documents pertaining to the issues.

Shri Anil Rajvanshi along with delegation comprising Shri Sri Narain Aggarwal, the then Vice Chairman, Shri Rakesh Mehra, former Chairman, and others met new Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani on July 11, 2016 and welcomed her on taking the charge of the Ministry. The members' delegation made a representation before the HMOT on issues and prospects of MMF textile exports.

On July 26, 2016, Shri Anil Rajvanshi, the then Chairman met HMOT, Smt. Smriti Zubin Irani to invite and request her to inaugurate the Source India exhibition in Surat. The Hon'ble Minister agreed to inaugurate the event and informed that a confirmation letter in this regard will be sent to the Council.

The then Chairman, Shri Anil Rajvanshi met Smt. Smriti Zubin Irani, HMOT on October 18, 2016, to discuss on the pending issues of the Council for policy proposals including GST and interaction meeting with Textiles stakeholders.

Shri Rajvanshi met Smt. Smriti Zubin Irani, HMOT on November 3, 2016 to follow up for pending matters on the Council's suggestions regarding the GST application to entire textile industry, thus requesting to bring the entire textile value chain under one and lowest GST rate.

The then Chairman along with then Vice Chairman, Shri. Vinod Ladia, former Chairman and Shri. S K Khandelia, COA member met Smt. Smriti Zubin Irani, HMOT on November 9, 2016 to discuss on the council's suggestions for GST application to entire textile industry and providing the necessary details as required.

The then Chairman met HMOT Smt. Smriti Zubin Irani on December 14, 2016 to discuss on the removal of



## MEETINGS

barriers to open access power in the state of Rajasthan for textile industry and councils along with other pending issues. HMOT assured to take up the issues with concerned authorities.

The then Chairman and Executive Director attended a meeting chaired by the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani on December 17, 2016 to request for bringing the entire Textile value chain under one and lowest GST rate.

The then Chairman and then Vice Chairman attended meeting chaired by Hon. Union Minister of Textiles, Smt. Smriti Zubin Irani on January 5, 2017 to discuss matters regarding the announcement of special package for Indian made-ups sector. Subsequently an additional 10% capital investment subsidy of up to INR 20.00 Cr was announced under the Amended TUF Scheme by Ministry.

Shri Rajvanshi, the then Chairman met Hon. Union Minister of Textiles, Smt. Smriti Zubin Irani on February 8, 2017 to discuss matters regarding the Textiles India 2017 and preparations in this regard.

The then Chairman met the Hon'ble Union Minister of Textiles, Smt Smriti Zubin Irani on February 23, 2017, to discuss matters regarding implementation of GST.

### **INTERACTIVE MEETING with the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani**

At the initiative of the Council, the Hon'ble Union Minister of Textiles(HMOT), Smt. Smriti Zubin Irani, attended the interactive meeting with stakeholders of the MMF Textile industry on 15th November, 2016 at Mumbai. The HMOT responded to all the issues and clarifications sought by the members' present regarding a range of topics such as Fibre neutrality, GST, Skill Development, MEIS, ATUFS, Job work in SEZs, Delay in reimbursement of Drawback, EPCG redemption benefits, raw material price volatility, antidumping Duty, establishing renewable energy (Solar, Wind), low cost housing facility for textile workers, world class textile products, to list a few.

In her initial remarks the HMOT pointed out that MMF Textiles is rightly the "Poor Man's Textiles" and encouraged members to highlight this aspect across all platform of interaction for reinforcing the sector's priority in India, as had been growing the world over. She reiterated her willingness to put forth the issues of the MMF Textile industry at every forum of the various concerned Ministries for resolution for augmenting growth and exports. She appealed to the stakeholders to have more interactions with State Governments on critical policy issues like GST, cost of power, capacity

building through skill development as well as for the Global recognition of Brand "Indian Textiles", which may be of concern to them. She asserted that the industry and EPCs should work together to come with a basket of competitive textile products that the country can leverage to enhance our world share, which is the need of the hour. She offered all support for accomplishing this goal at the earliest.

The Textile Commissioner, Smt. Kavita Gupta conveyed that the Hon'ble Minister desires that the important issues be put forth and the recommendations should be group specific.

Shri Vinod K. Ladiji moderated the meeting. He raised the point of skill development program in the textile industry and stated that Industry needs skill training to generate employment along with modernization and technology up-gradation. He also put up the point of creating textile parks in various states.

The Hon'ble Minister of Textiles summarized the issues and suggested follow up on:

- Skill Analysis for Surat, follow up need to be done by all stakeholders including Textile Commissioner, Joint Secretary (Exports).
- Research problem – Industry driven research. Research for a hub in Surat. Experts to send a copy of the presentation to the Textile Commissioner. The same can be taken up with the Finance Minister at the earliest. Test cases which are successful to be part of the research.
- Paper on MEIS, what was needed for enhancing exports
- Low cost housing- note to be made to interact with the concerned in different Ministries.
- Textile Commissioner to work to bring out a paper on the proposal for new product basket for textiles along with key industry heads and experts.
- Council to give a few projections on technical textiles from the policy prospective.
- The policy suggestions should be made very carefully as it will be a viable for the next 10-12 years.

### **MEETINGS WITH TEXTILE SECRETARY**

The then Chairman, Shri Anil Rajvanshi met Ms. Rashmi Verma, the then Textile Secretary on June 28 & 29, 2016 to discuss the visit of textile delegation to Italy during July 4–7, 2016.

The then Chairman on October 3, 2016, met Ms. Rashmi Verma, the then Secretary Textiles, to follow up on the Council's suggestions on the GST application to entire textile Industry under one GST rate.

## MEETINGS

The then Chairman and the then Vice Chairman, Shri. Vinod Ladia, former Chairman and Shri. S K Khandelia, COA member met Ms. Rashmi Verma, the then Textile Secretary on November 9, 2016 to discuss on the pending issues of the Council for policy proposals including GST application to entire textile industry and requesting to bring the entire textile chain under one and lowest GST rate.

The then Chairman met Ms. Rashmi Verma, the then Textile Secretary and other concerned senior officials on December 14, 2016 to discuss on the removal of barriers to open access power in the state of Rajasthan for textile industry and councils along with other pending issues.

The then Chairman met Ms. Rashmi Verma, the then Textile Secretary on February 8, 2017 and other senior officials in the MOT to discuss matters regarding Textiles India 2017.

The then Chairman and Shri R.D. Udeshi met the then Secretary Textiles, Ms. Rashmi Verma on February 16, 2017, to discuss matters regarding implementation of GST, as it was under examination.

The Chairman and DD (MR) attended the Meeting on March 6, 2017 chaired by the then Secretary Textiles to discuss on clarifications regarding the newly introduced ROSL Scheme. The definition of exporter and the date of effect of the Scheme were clarified. The Chairman congratulated the Secretary Textiles for introducing the Scheme and said the same would encourage the textile sector and help arrest falling exports.

The Chairman, Shri. Sri Narain Aggarwal, attended meeting with Secretary Textiles at Mahatma Mandir, Gandhinagar on 10th March, 2017 to discuss matters regarding Textiles India to be held in Gandhinagar during June-July 2017. During the meeting it was decided each EPCs would invite foreign buyers for the event.

Executive Director on May 13, 2016, attended meeting chaired by Ms. Rashmi Verma, the then Secretary Textiles, MOT to discuss on review of export performance of EPCs and fixing of export target for 2016-17. The MOT has proposed an export Target of US\$ 7.0 Bn for 2016-17. It was informed that unless the MOT/MOC take necessary policy support measures like (i) reduction in Excise Duty to 6%, (ii) enhancing import duty of Fabrics, (iii) including EU countries for Export promotion, (iv) incentivizing investment in weaving sector through TUFs, it would be difficult for the members of the Council to achieve the export of more than US\$ 6.5 Bn.

The Executive Director attended a meeting chaired by Ms. Rashmi Verma, IAS the then Secretary (Textiles) on November 25, 2016 to discuss export strategy for Textiles and Apparel Sector. It was indicated by ED during the meeting that it may not be feasible to achieve a target of US\$ 7000 million, given the prevailing domestic policy scenario and the global slow down across major markets like EU and US. It was mentioned that during 2015-16 (April – September) the Council could only achieve about 34% of the target figure fixed by the MOT. It was further informed that the Council has represented to the MOT and MOF on the appropriate policy inputs such as reducing the excise duty, enhancing MEIS benefits, enhancing drawback rates in order to achieve the given target.

The Executive Director attended a meeting chaired by the then Secretary (Textiles) on January 24, 2017 to discuss preparedness of Textiles India 2017 Conference. Various issues were discussed and it was decided to hold the show in July 2017 with participation from all the EPCs.

### MINISTRY OF FINANCE MEETINGS

The then Chairman Shri Anil Rajvanshi, met Shri. Najib Shah, Chairman CBEC, MOF on April 5, 2016 and discussed about reduction in excise duty on MMF textiles in context of the meeting held at PMO on March 30, 2016.

The then Chairman met Shri. Hasmukh Adhia, Revenue Secretary, MOF on May 4, 2016 to discuss high excise duty on man-made fibre and undervalued cheap imports of fabrics from China providing the required data and documents in the matter.

The then Chairman met Mr. Inderjeet Singh, ADGA on January 11, 2017, to discuss matters regarding Anti Subsidy Duty on MMF textiles.

The then Chairman along with Shri Udeshi, Shri Ladia, Shri S. C. Kapur and Shri U. C. Tripathi met Shri. Arvind Subramaniam, Chief Economic Advisor, MOF, on 16th February, 2017, to discuss matters, regarding implementation of GST, as it was under examination.

The then Chairman, Shri. Udeshi, Shri S C Kapur and Shri. U C Tripathi met Shri Najib Shah Chairman, CBEC, and Department of Revenue in New Delhi on February 23, 2017, to discuss the matters regarding implementation of GST.

### MEETING WITH ADDITIONAL SECRETARY COMMERCE

The then Chairman Shri Anil Rajvanshi met Shri. J K Dadoo, Additional Secretary and Financial Advisor, MOC on May 19, 2016 for requesting waiver of interest charges levied on the refund of MDA funds.

## MEETINGS

### MEETINGS WITH ADDITIONAL SECRETARY TEXTILES

The then Chairman Shri Anil Rajvanshi met Smt. Pushpa Subrahmanyam, Additional Secretary, MOT and other senior officials on July 26, 2016 to discuss various pending issues regarding increasing of MMF exports, anti-dumping issues and cheap imports of MMF fabrics from China.

The then Chairman met Smt. Pushpa Subrahmanyam, Additional Secretary, MOT on August 10, 2016 for reminding about the pending issues for MMF exports by giving representation concerning the issues of the council.

The then Chairman and the then Vice Chairman met Smt. Pushpa Subrahmanyam, Additional Secretary, MOT on 5th January, 2017 to discuss regarding Heimtextil International Fair for Home Textiles as desired by the MOT.

### MEETINGS WITH DGFT

The then Chairman Shri Anil Rajvanshi met Shri. A.K. Bhalla, DGFT on November 3, 2016 to follow up for deletion of entry of MMF products under the HS code 540203/4/5/6/7/8 of BBK scheme.

The then Vice Chairman, ED and AD (ES) attended Interactive Meeting chaired by Shri A K Bhalla, IAS, DGFT, on February 7, 2017 to discuss on recommendations and suggestions for midterm review of the FTP 2015-2020. The Council recommended for inclusion of additional MMF items having export potential under MEIS with justifications.

Deputy Director attended meeting on March 2, 2017 chaired by Shri A K Bhalla, DGFT to discuss on Mid-term Review of FTP 2015-2020. Issues put up by the Council had been noted by the DGFT. Regarding inclusion of more MMF products, it was informed that Council had sent a representation to the DGFT with all the desired products along with justifications.

### MEETINGS WITH JS, MINISTRY OF COMMERCE

The then Chairman Shri Anil Rajvanshi and Executive Director attended a meeting chaired by Shri. Ali R Rizvi, Joint Secretary on December 26, 2016 to discuss (a) status of setting of accounts under MAI for activities completed up to October 2016 (b) progress of MDA Action Plan 2016-17 and UC status and (c) feedback on cashless transaction effected in EPCs. EPCs were also asked to initiate demonetization at their offices and at their members' offices and submit a report by the end of January 2017.

The then Chairman and Shri. U C Tripathi attended a meeting chaired by Shri. Manoj Kumar Dwivedi, Joint

Secretary, Ministry of Commerce on February 23, 2017 regarding Consultations in connection with Mid Term Review of the FTP 2015-20. The Council submitted the suggestions in regard to proposal of MMF textiles for discussion in the mid-term review of the FTP 2015-2020.

The Executive Director on May 3, 2016 attended meeting chaired by Shri. Ravi Capoor, the then JS, MOC to consider MDA proposals for 2016-17 of the Council. MOC informed approval of Council's MDA proposal for 2016-17, which included Indonesia, Burma, Mexico, Panama, Sudan, and Ethiopia.

Additional Director attended a meeting organized by MOC on September 23, 2016, Chaired by Shri. Ali R Rizvi, JS, MOC to discuss on settling of accounts by EPCs relating to Exhibition organized under the MAI Scheme during 2015-16 and 2016-17.

Additional Director attended a meeting organized by MOC on October 19, 2016 and on October 26, 2016 chaired by Shri. Ali R Rizvi, JS, MOC to discuss on Sub-committee on MAI proposals for the year 2017-18. Council's MAI proposal for the year 2017-18 submitted was recommended to the empowered Committee.

Deputy Director attended meeting chaired by Dr. Guruprasad Mohapatra, JS, FT, CIS on April 8, 2016 to discuss regarding boosting trade with Russia.

Deputy Director attended a meeting on June 8, 2016 chaired by Ravi Capoor, JS, MOC to discuss regarding MAI Sub-Committee meeting.

### MEETINGS WITH TEXTILE COMMISSIONER

The then Chairman Shri Anil Rajvanshi and ED attended meeting to discuss Budget proposals under the chairpersonship of the Textile Commissioner on October 20, 2016. The Council provided the detailed inputs as desired by the Textile Commissioner.

The Executive Director (ED) on April 2, 2016, attended meeting along with the then Vice Chairman, chaired by Dr. Kavita Gupta, Textiles Commissioner for requesting her to provide the production data on MMF Fabrics in connection with the issue of imports of Fabrics from China. The Textile Commissioner assured that whatever data is available with them can be shared for taking up the issue on import of Fabrics. Subsequently, ED attended another meeting on April 4, 2016 with Jt. TxC along with TMC consultant to get the details of the database available with the TxC.

Deputy Director attended a meeting held at the Textile Commissioner's office on January 23, 2017 for finalization of format for online data submission. Ministry had prepared draft format for which members gave their suggestions for modifications. Accordingly the



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format was to be modified and meeting had been called on February 9, 2017 for the same.

### MEETINGS WITH JS, MINISTRY OF TEXTILES

The then Chairman Shri Anil Rajvanshi along with delegation comprising Shri. Sri Narain Aggarwal, the then Vice Chairman and Shri. Rakesh Mehra, former Chairman met Ms. Sunaina Tomar, the then JS (Exports), MOT on July 11, 2016, to discuss the issues concerning MMF exports and waiver of interest on refund of MDA funds proposed by MOC.

The then Chairman along with delegation comprising Shri. Sri Narain Aggarwal, then Vice Chairman and Shri. Rakesh Mehra, former Chairman met Smt. Anu Garg, the then JS, MOT on July 11, 2016, to discuss the issues concerning MMF exports.

The then Chairman met Ms. Sunaina Tomar, the then JS (Exports), MOT on July 18, 2016 to discuss on various pending issues of MMF exports, waiver of interest, and India-Uzbek IGC preparatory meetings by giving detailed representations concerning the issues of the Council.

The then Chairman met Ms. Sunaina Tomar, the then JS (Exports), MOT on July 29, 2016 to remind about the pending issues of MMF exports and waiver of interest.

The then Chairman under the chairmanship of Ms. Sunaina Tomar, the then JS MoT Exports attended a meeting on August 10, 2016 pertaining to 'Textiles India 2016' to be held at Noida and discussed the modalities regarding the event.

The Executive Director on April 6, 2016 attended a meeting chaired by Smt. Anu Garg, the then Joint Secretary, MOT, ASG, AEPC and ED – TEXPROCIL also attended the meeting. The Meeting was called for preparation and finalization of agenda on the 4th Session of India-Kazakhstan JWG, which was to be held during 26-27 April, 2016 in Shymkent, Kazakhstan. Considering the low potential for MMF exports, it was requested that SRTEPC might be excluded from the delegation. However the then JS suggested that MMF sector can explore possibility of JVs etc. AEPC would prepare draft Schedule of meeting for perusal of the then JS.

The Executive Director on May 3, 2016, met Ms. Sunaina Tomar, the then JS, (Exports) MOT to discuss MDA proposals for 2016-17. MDA proposals action plan 2016-17 was discussed for placing in meeting of JS, MOC (E&MDA).

The Executive Director on May 11, 2016, attended meeting chaired by Smt. Sunaina Tomar, the then JS,

(Exports), MOT to discuss regarding 1st meeting of the India-Belarus, Joint Working Group.

The Executive Director attended a meeting chaired by Shri. Puneet Agarwal, JS, MOT on March 7, 2017 to discuss issues regarding Textiles India 2017. It was decided that 100 exhibitors from the Council would participate in the event. EPCs were also requested to indicate their interest about specific country for MOUs.

Deputy Director attended a meeting chaired by Smt. Sunaina Tomar, the then JS, MOT on April 29, 2016 to discuss regarding Mega Textile Fair to be held in October, 2016 at India Expo Mart, Greater Noida.

### MEETING WITH NITI AYO

The then Chairman, Shri Anil Rajvanshi along with Shri Udeshi, Shri S. C. Kapur and Shri U. C. Tripathi met Shri Amitabh Kant, CEO, Niti Aayog in New Delhi on February 23, 2017, to discuss matters regarding implementation of GST.

### MDA / MAI MEETINGS

The Executive Director attended the MAI Empowered Committee meeting held on June 16, 2016. The meeting was also attended by senior officials of MOT and MOC along with the Heads of various EPC's. SRTEPC proposals on Expiry Review of Anti-Dumping Duties by Turkey on MMF Yarn (spun yarn) of Indian origin and participation in Federal Trade Fair in Moscow during Sept. 20-23, 2016 were discussed.

The Executive Director attended an empowered committee meeting chaired by Ms. Rita Teatota, Commerce Secretary on November 22, 2016 for approval of MAI proposals 2017. Council's proposals submitted under MAI 2017-18 were approved as follows (a) Vietnam Saigon International Fabric & Garment Expo in Vietnam during April 2017 (b) RBSM Surat during August 2017. SRTEPC and PDEXCIL will jointly hold the Surat RBSM. (c) Cairo Fashion Tex in Egypt during October 2017.

The Executive Director attended an empowered committee meeting chaired by Ms. Rita Teatota, Commerce Secretary on November 29, 2016 for approval of MAI proposals 2017. The Council decided to organize participation of its member-companies in International Exhibitions in Russia and Iran replacing Vietnam as (a) Federal Trade Fair for Textile & Apparel "TEXTILEGRPOM" in Russia during September 2017 and (b) IRANTEX in Iran during September 2017

The Executive Director on November 29, 2016 met Rajiv Kumar, US, MOC & Industry to discuss on MAI proposals for the year 2017-18. It was informed that the Council

## MEETINGS

has submitted all the inputs as required.

The Executive Director met Shri. Rajiv Kumar, Under Secretary, MDA, MOC on January 24, 2017 to discuss on matters regarding Annual Action Plan 2017. He assured that the Annual Action Plan submitted by the Council would be considered.

The Executive Director met Shri C K Sharma, Export Promotion Director, MOT on January 24, 2017 to request for waiver of Rs.18.84 lakhs charged on unutilized grant of MDA & MAI refunded to MOC.

### VISIT OF AMBASSADOR OF INDIA FOR AZERBAIJAN

Shri. Sanjay Rana, Ambassador of India for Azerbaijan paid a visit to the Council's office on December 28, 2016. The purpose of the Ambassador's visit was to explore the possibility of SRTEPC taking a delegation of exhibitors to Azerbaijan during 2017-18 either by organizing an INTEXPO or a Buyer Seller Meet. The Ambassador then proceeded to brief them about Azerbaijan. The Ambassador expressed a keen interest to receive a delegation of exporters from SRTEPC either in the month of March (which is the time of Navroze in Azerbaijan) or in September (before Ramzan) as these are peak buying periods. The ED and Shri. Srijib Roy later briefed the Ambassador about SRTEPC and its activities. The Ambassador also visited the Trade Centre of the Council and expressed his keenness to know more about the products displayed there.

### FIEO MEETING

The then Chairman, Shri Anil Rajvanshi attended the FIEO's Eastern Region Export Excellence Awards & Global Jubilee Ceremony on April 28, 2016 in Kolkata. His Excellency Shri. Keshari Nath Tripathi, Hon. Governor of West Bengal conferred awards.

### WTO STUDIES MEETINGS

The then Chairman Shri Anil Rajvanshi and Executive Director on May 6, 2016 attended workshop organized under the chairmanship of Shri. A K Bhalla, the then Directorate General of Anti-Dumping and Allied Duties (DGAD) and Centre for WTO Studies. The then Chairman presented paper on imposition of Anti-Dumping Duties on MMF products.

The Executive Director on August 22, 2016, along with the Chairman and Deputy Director SRTEPC attended Workshop under the chairmanship of Shri. A K Bhalla, the then DGAD on trade remedial measures in anti-dumping and anti-subsidy investigations held at Kolkata to discuss on quick settlement of AD cases. Shri Anil Rajvanshi, the then Chairman, SRTEPC highlighted the industry's concerns about trade defense laws,

where he mentioned that the US Department has put 104 actionable subsidies in their website for their domestic industry to take action and accordingly 100 cases were filed. He also had mentioned that regarding the forthcoming agreements like RCEP etc. India need to take steps regarding reducing tariffs very cautiously to avoid dumping and injury to the domestic industry by Countries like China.

The Executive Director attended a meeting called by Shri. A K Bhalla, the then DGAD on October 7, 2016, regarding public hearing in the matter of Anti-Dumping Duties investigation against imports of Elastomeric Yarn from Korea, China and Taiwan. Various parties made arguments, that there was a genuine need for the concerned product under consideration to be imported by various users in India for producing textile items for export. Hence if Anti-Dumping Duties was imposed on this product it may impact exports. It was also mentioned that these imports were being made due to technical consideration as the right kind of quality products are not being made available by the domestic producer, the petitioner.

### ANTI DUMPING WORKSHOP - IIFT

The Executive Director during October 3-5, 2016 visited New Delhi along with Dy. Director SRTEPC to attend Anti-Dumping Workshop for ASIAN Investigating Authorities at Conference Hall, IIFT. Mr. Seref Coskun, Technical Trade Specialist and Mr. Jesse Kreier, Counsellor, WTO, Rules Div. made presentation on Trade Remedies and the WTO. Background information on top users of AD/CVD countries affected and the then WTO Jurisprudence in the field of trade remedies were presented.

### FICCI MEETING

The Executive Director attended a brainstorming session organized by FICCI on November 11, 2016 on Functional Re-organization of the Dept. of Commerce, Govt. of India.

### MEETING WITH CII

Chairman Shri. Sri Narain Aggarwal attended Meeting with CII, the Event Co-ordinating Agency at Mahatma Mandir, Gandhinagar on March 10, 2017 to discuss matters regarding Textiles India to be held in Gandhinagar during June-July 2017. It was decided that CII, the event-coordinating agency will co-ordinate the activities viz. organizing, participation, and management. Three representatives of CII who will co-ordinate the event were also announced.

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### MEETING WITH POWERLOOM STACKHOLDERS

The then Vice Chairman Shri. Sri Narain Aggarwal and Shri. Satish Agarwal, Committee Member attended the Powerloom stackholders meeting on August 22, 2016.

### CONFERENCE ON 'WEAVING A TRANSFORMATION FOR TEXTILE INDUSTRY'

The then Vice Chairman attended conference namely 'Weaving a transformation for textile Industry' on November 9, 2016, where key details of the conference were disseminated to the industry.

### MEETING WITH ITPO

The Executive Director attended meeting on April 27, 2016, in the office of the ITPO, Mumbai to discuss on meeting of the steering committee for Tex-Styles India to be organised during 2016.

### MEETING WITH THE TEXTILE COMMITTEE

The Executive Director attended a meeting called by Shri. S P Verma, the then Secretary, Textiles Committee & Chairman, Working Group on Textiles on September 28, 2016. This was the 3rd Meeting of Working Group to formulate the Standards and Technical Regulation on four identified textile products. Presentation and discussions were held to formulate standards and technical regulation on identified Textile products. It was suggested to upload the same in the Textile Committee's site for comments and suggestions.

### SOURCE INDIA RBSM MEETING, SURAT

The Executive Director along with Additional Director attended meeting on April 29, 2016, in the office of the SRTEPC in Surat to discuss on various matters regarding the hotel, local vendors, and event management agency for RBSM, Surat to be held in August 2016.

The Executive Director on May 27, 2016 attended Review Meeting of RBSM, Surat and reviewed various activities and preparations of Brochures in connection with RBSM, Surat including contract with Hotel TGB and Event Management Agency. The contract with The Hotel TGB and Event Management company was discussed and a road map for various tasks prepared to follow up with action in a time bound manner was agreed upon.

### INVESTOR SUMMIT

The Executive Director attended 'Investors Summit' organized by the Ministry of Textiles and Ministry of Department of North East along with FICCI on 29th & 30th January 2017 in Shillong. It was organized to showcase North East as a global destination for investment and explore possibility of convergence of

efforts of various central Ministries and North Eastern States to attract investment in the NE. The Summit was expected to unlock huge potential of the NE in textile manufacturing and generate new avenues for employment in the region. The event was a grand success. More than 1000 participants attended the event including various EPCs. Seven MOUs were signed among various Textile agencies for Skill Training etc. in the NE region. The event would give a boost to both investment and exports of NE based textiles items in the coming years.

### EXCELLENCY AWARD CEREMONY

The Executive Director attended the Presentation Ceremony at the Amity University on February 10, 2017 in Noida. Council received the prestigious Amity Export Excellence Award. ED collected the award on behalf of the Council.

### CLMV BUSINESS CONCLAVE

The Executive Director attended the 4th India-CLMV Business Conclave held in Jaipur during February 27-28, 2017. ED interacted with the participants of CLMV countries thus strengthening trade ties with these countries. It was highlighted that connectivity and banking were the two areas that needed improvement to enhance trade ties with these countries.

### DGFT GRIEVANCE COMMITTEE MEETING

ED and AD (ES) attended the 2nd Meeting of the Grievance Redressal Committee chaired by Dr. Sonia Sethi, Additional DGFT, with EPCs in O/O Additional DGFT, Mumbai on December 15, 2016. This meeting was called to discuss the issues referred to the earlier Meeting held in Office of DGFT, Mumbai on October 3, 2016. The Council was asked to resend the agenda points to the ADGFT office for reviewing the points for discussion.

Assistant Director (ES) attended meeting on September 21, 2016 under the Chairmanship of Dr. Anup Wadhawan, DGFT, New Delhi to discuss issues relating to redressal of grievances of trade and Industry pertaining to the Foreign Trade Policy and procedures.

Assistant Director (ES) attended meeting on October 3, 2016 Chaired by Dr. Sonia Sethi Additional DGFT, Mumbai to discuss on Grievance Committee Meeting along with all EPCs. During the meeting, the issues of Reactivation of Shipping Bills, Issuance of DFIA License and Refund of Import License Application Fee sent by SRTEPC were discussed.

Assistant Director (ES) attended 3rd Meeting of the Grievance Redressal Committee on March 2, 2017



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chaired by Dr. Sonia Sethi, Additional DGFT to discuss issues relating to redressal of grievances of trade and industry pertaining to Foreign Trade Policy and procedures.

### OTHER MEETINGS

The then Chairman Shri Anil Rajvanshi met Mr. Neerav Kumar Mullick, Director (Exports), MOT on January 5, 2017 to request for waiver of Rs. 18.84 lakhs charged on unutilized grant of MDA & MAI refunded to Ministry of Commerce.

The then Vice Chairman met Shri. Neerav Kumar Mallick, Director (Exports), MOT on November 21, 2016, to discuss pending issues of SRTEPC and provided necessary details as required by the Director.

The then Vice Chairman on November 21, 2016, met Ms. Aditi Das Rout, Trade adviser MOT to discuss on the matter of demonetization of currencies and take necessary actions in this regard.

The Executive Director on May 3, 2016 met Shri G K Rajnish, US, MOT, Shri RVSM Mani, Dy. Secretary, MOC, and Smt. Neelam S Kumar, Chief Controller of Accounts, MOT to discuss regarding MDA proposals for 2016-17 and request for waiver of interest charges proposed by MOC.

The Executive Director on May 11, 2016 met Shri G K Rajnish, US, MOT and Shri. Rajeev Kumar, US, MOC to discuss regarding MDA/MAI for 2016-17 and requested for waiver of interest charges proposed by MOC.

Executive Director on May 11, 2016 further attended meeting with Shri. Anurag Goel, US, MOC to discuss regarding India-Korea CEPA Review-2.

Executive Director on May 11, 2016 met Shri. A. Lakshmanswamy, Research Officer, MOC to discuss regarding permission to use 'Make in India' Logo for RBSM.

Executive Director attended meeting of IKEA services in India led by Shri. A Madhukar, JS, on July 8, 2016. Other EPCs, Associations and Industries also attended the presentation on sourcing textiles items from India. EPCs had assured co-operation to supply the Textiles material to IKEA. IKEA was invited to participate in the Source India 2016, Surat, to interact with the participant exporters. The same was accepted by IKEA.

The Executive Director visited Surat Regional Office on September 27, 2016 for signing of a lease deed with The Surat Art Silk Cloth Manufacturers Association (SASCMA) for regional Office, Surat. The lease deed agreement was signed with SASCMA for Regional Office in Surat for a period of 15 years.

The Executive Director attended a meeting called by Ms. Aditi Das Rout, Trade Advisor, MOT on October 7, 2016 to discuss strategy for exports, marketing plan and Textiles India.

The Executive Director attended the Advisory Committee Meeting on Textiles India on March 19, 2017 to discuss various matters regarding Textiles India 2017. It was deliberated that MMF would be given due prominence in various realms of the event. Accordingly, MMF Textiles will be placed in the 'Proposed theme in Round tables' section.

Additional Director met Ms. Aditi Das Rout, Trade Advisor, MOT on November 15, 2016 to discuss on the export promotion strategy and mid-term review of export targets.

Additional Director met Ms. Aditi Das Rout, Trade Advisor, MOT on November 26, 2016 to discuss MAI proposals for the year 2017-18 and Export Strategy.

Additional Director attended a Meeting chaired by Ms. Aditi Das Rout, Trade Advisor, MOT on December 1, 2016 to discuss regarding marketing plan for Fairs for the year 2016-17. The Trade Advisor invited ideas from the visiting representatives of EPCs about a common Facia Design, and activities both before and after the Events for promoting the "Brand India" image for ensuring a significant rise in our trade.

Additional Director attended Interactive Meeting chaired by Shri. Ramesh Abhishek, Secretary, Department of Industrial Policy and Promotion & the World Bank team on February 3, 2017 to discuss Interactive Meeting on Ease of doing Business.

Deputy Director on May 25, 2016 attended meeting chaired by Ms. Anice Joseph Chandra, Director, MOC to discuss on Rules of Origin (ROO) in India's ongoing RCEP negotiations.

Deputy Director also met Shri Neerav Mallick, Director Exports and Shri. G K Rajnish, Under Secretary, MOT on June 8, 2016 to discuss regarding the Russia proposal. It was informed that Council's proposal for Russia under MAI was being approved.

Deputy Director attended meeting on July 8, 2016 chaired by Ms. Anice Joseph Chandra, Director, MOC. Discussions were made regarding consultations with line of Ministries/Departments of Textiles/Stockholders with reference to Rules of Origin (ROO) in India's ongoing RCEP negotiations. Various suggestions made by Ministries / Departments of Textiles/Stockholders will be forwarded to the concerned by MOC.



## EXPORT ASSISTANCE

The Indian Textile Industry occupies a very important place in the economic life of India through generation of employment, output and export earnings. The Textile industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian textile industry is the second largest in the world second only to China. Today the textiles sector is one of the largest contributors to India's exports.

India's key assets include a large and low-cost labour force, sizeable supply of fabric, sufficiency in raw material and spinning capacities. On the basis of these strengths, India has become a major outsourcing hub for foreign manufacturers and retailers, with composite mills and large integrated firms being their preferred partners. It is thus essential for SMEs to align with these firms that can ensure a market for their products and new orders.

Growth along with the investment of an industry depends heavily on the economic health of the country and the Indian economy has been growing rapidly during the recent past.

Textile Mills in India are the manufacturing plants for producing woven textile fabrics and related products. Major textile products manufactured by textile mills include yarn products, blended yarn, synthetic yarn, specialty yarn, fabric products, woven fabrics, knitted fabrics, acrylic blankets etc. Major activities of textile mills in India include weaving, knitting, knotting, crocheting and pressing the fibers. For the last couple of years, Indian textile mills are experiencing tremendous growth.

The MMF Textile industry generally includes manufacturers, wholesalers, suppliers, and exporters of MMF Textile products.

Some of the major factors responsible behind the growth of textile Mills sector are an immense demand of Indian apparels and textiles in the international market, Low custom duties on imported textile machinery, Less tight government restrictions on imported goods. Major trading partners regarding import of textile machineries include U.S., Germany, Switzerland and U.K. India ranks second in the global textile industry and accounts a major portion to the overall Indian exports. For the sustenance of this growth

and to maintain the competence in the international market, the textile mills in India need to be modernized.

For the Textile Industry to flourish we should adopt world class technology, economies of scale and global manufacturing practices. The Textile Industry should now act and take a pragmatic outlook of its capabilities since the Sector has a unique position and has performed as a self-reliant industry, from the production of raw materials to the delivery of unfinished products, with substantial value-addition at each and every stage of processing; it is a major contribution to the country's economy.

Globally, consumption of fibres has tilted in favour of MMFs over cotton due to various factors like changing fashion trends coupled with limitations to production of cotton. Even in India, the demand for man-made fibres has grown substantially over the last decade, as it has emerged as a major substitute for cotton. The demand for synthetic textiles has been growing due to its lower cost coupled with convenience and maintenance benefits associated with the usage of synthetic garments.

Currently, India has excess capacities for many man-made fibres/ filament yarns and these are adequate to meet the current and near future demand for man-made fibres. The changing consumer pattern in favour of man-made fibre based textiles; there is a need to assess the medium term and long-term demand for man-made fibres in India. The demand for man-made fibres depends upon the demand for yarns and fabrics, which in turn depends upon the consumption of finished textiles viz. apparel and made-ups.

During the year 2016-17 India's exports grew consecutively for nearly six to seven months. The increase in exports was on account of robust performance of some prominent sectors including Textiles. The exports of Indian MMF Textiles during 2016-17 as compared to 2015-16 indicated a marginal decline. During the year Fabrics and Made-ups showed a decline whereas Yarn and Fibre showed an increase respectively. It is expected that the value-added segments will reverse the trend in the coming months. The Textile sector is expecting a boost in exports and growth with the implementation of GST. It is hoped that it will help the textile industry to get more competitive in

## EXPORT ASSISTANCE

both the global and domestic markets and create opportunities for sustainable, long-term growth and generate employment.

However, there are certain policy initiatives which need to be undertaken by the Government urgently to spur the export's inertia and revive the domestic industry.

### FOREIGN TRADE POLICY / UNION BUDGET PROPOSALS

The Council sent Mid Term Review Proposals for its revision under the Foreign Trade Policy 2015-20. The Budget Proposals were also sent to the Ministry for its inclusion in the Union Budget 2017.

During the year, the Council had consultation with various Ministries and deliberated on issues constraining the MMF textiles Industry on the modification of certain portions of the Foreign Trade Policy (FTP) to align it with the Goods and Services Tax. The Council had discussion with the Textile Ministry and other Associations for taking up the Council's Budget Proposal with the Ministry of Finance for its inclusion under the Union Budget 2017.

### DUTY DRAWBACK RATES FOR 2016

Duty Drawback scheme is an integral scheme in the export of Man-made fibre textiles as majority of the exporters are operating under this scheme. During the year, the Council had collected data from member-exporters pertaining to various products for fixation of suitable Duty Drawback rates and had submitted detailed proposals for an increase in the Duty Drawback rates for Manmade Textiles. The Council made a presentation before the Drawback Committee on Friday 26th August, 2016 in Mumbai. The Drawback Committee members present at the Council's presentation meeting included Dr. Saumitra Chaudhuri, Chairman of the Drawback Committee, Shri G.K. Pillai, Member, Shri Gautam Ray, Member, Shri Y.G.Parande, Member and Shri Rajiv Talwar, Joint Secretary (DBK) and few members of the Committee of Administration. The Council proposed for an upward revision in the rates for most of the MMF textile items.

The Council highlighted some issues concerning the growth and exports of MMF textiles which was adversely impacting MMF textiles and needed urgent attention –

- lowering the Excise Duty,

- extend higher benefits of 5% reward under MEIS and for all MMF tariff lines across the three groups of identified countries in the FTP,
- restrict import of fabrics by imposing specific duties on all MMF Fabrics,
- higher rate of drawback,
- extend MEIS to those markets where the exporters have established and looking further to expand.

The Council took up issues / problems faced by exporters at the operational / procedural level with various Govt. bodies like the DGFT & its Regional Offices, Central Excise, RBI, Customs, etc. with regards to Duty Drawback Claims, problems while applying for application under the FTP Schemes, Customs Clearances, Problems at the Ports and Terminals etc.

The Council received representations from member-exporters regarding problems faced by them at the operational level at the Customs which needed to be sorted out. The issues were affecting exports and included the following – Prompt Disbursal of Drawback Claims by Customs, Enhance operational capabilities and provide technical expertise to Ports to ease the congestion, Implement Single Window Clearance System, Reduction of physical examination at the time of clearance of the goods is an international modern way for carrying out exports, Delay in clearance of goods to be streamlined during Sundays and Public holidays, The Customs at the Airports may allow the passage of samples to exporters without any hindrance, Improvement of port infrastructure to sustain increase in export volumes and Reduce strikes at the Ports.

During the year, the Council organized a Meeting with the Minister of Textiles and had deliberations relating to the important issues pertaining to MMF Textiles with regard to Enhancing the Duty Drawback Rates and anomalies thereof, issues faced in the Interest Equalisation Scheme on Pre & Post Shipment Rupee Export Credit, inclusion of left out MMF Textiles products under Merchandise Exports from India Scheme (MEIS) and the Pre-Budget Proposal for 2016-17 which include Indirect Taxes (Customs, Excise, Service Tax etc), Direct Taxes (Banking, Income Tax etc.) and Policy Issues.

The Council attended to queries from member-

## EXPORT ASSISTANCE

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

Representations on issues raised by exporters were taken up suitably with the concerned Departments:

### (I) MINISTRY OF FINANCE

#### ❖ CBEC

- Provided details regarding the various Certificates issued by the Council to its members for availing benefits on entitlement of the Certificate.

#### ❖ DEPT. OF REVENUE

- Details sent regarding the Export Performance Certificates issued by the Council during the year 2016-17 to its exporters for availing duty free import of specified items falling under Customs Notification No. 12/2012.
- Request for a clarification of the deleted MMF Textiles items under Drawback Schedule for 2016-17, as some of the MMF textiles products covered under the Drawback Schedule are not included in the Drawback Schedule of 2016-17 and
- Clarification regarding Melange Yarn,
- Problems faced by member-exporters due to inadequate duty drawback support extended to made-up items.
- Drawback suggestions and recommendations sent to the Ministry of Finance for taking it up suitably under the GST Framework.

#### ❖ CUSTOMS

- Re-transmission of Shipping Bills from Customs to DGFT website.
- Remove the mark 'N' in reward item box in system.
- Difficulty faced by exporters in getting their Duty Drawback amount.
- Request to resolve the issues of agitations at the Customs

- Removal of the name of the exporter appearing in the "Alert List" of the Customs in spite of submitting the Negative Statement.
- Difficulty faced by the exporters in the case of Drawback claims against the Shipping Bill as a result of which their name has been placed in the "Alert List".
- Request for clarification regarding increase in the value of imports consignment for issuance of import certificate from the Council.
- Difficulty faced by the exporter regarding modification of their old IEC Address.
- Problems faced by the exporters due to their name in the 'Alert List' for the EPCG License.
- Re-activation of Shipping Bills.

#### ❖ RBI

- Difficulty faced by member-exporter in getting BRC against non-submission of part documents for remittance received through ICICI Bank, Tardeo Branch, Mumbai.

### (II) MINISTRY OF TEXTILES

- Reply on Parliament question on FDI in Textile Sector for the last 3 Calendar Years and the Break-up of the Foreign Direct Investment (FDI) approved by the Government for the Textile Sector for the last 3 Calendar Years.
- Reply regarding protective measures to overcome exports decline.
- Sent Fiscal and Non-fiscal issues concerning Textiles with regard to the Budget Proposals.
- Comments for amendments of certain items under the Draft Export Policy.
- Sent points for Meeting regarding Export target, Export Strategy, Mid Term Review and Export Promotion.
- Difficulty encountered by the exporters at Customs leading to delay in receiving their ROSL incentives.
- Request sent to recommend the Ministry of Commerce and Industry to take up the issues suitably to enhance exports; especially from the MMF Textiles Sector for Mid-Term Review of the

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Foreign Trade Policy (FTP) 2015-20.

- To extend and continue the 3% Interest Rate Subvention to MMF Textiles
- Extending the maximum possible benefits under the MEIS of the New FTP 2015-20
- Sent views on the definition of Cotton vide Notification No. 7/2016-CE clarifying some points relating to CITI's letter which needed explanation.

## ❖ TXC

- Request to direct the concerned Division to procure the production data of Polyester Viscose Fabrics from 2011-2016.
- (Feb- 3.4) Regarding restricting export of cotton through sea route to Bangladesh
- Request for allowing of RR-TUFS claim of 30% MMS
- List of point's related to Fiscal and Non-Fiscal issues concerning Textiles with regard to the Budget Proposals.

## (III) MINISTRY OF COMMERCE

### ❖ DGFT

- Inclusion of Bare Elastomeric/Spandex Yarn falling under HS Code 54024400 & 54041100 in Merchandise Exports from India Scheme (MEIS) of FTP 2015-2020.
- Inclusion of Polyester / Viscose fabrics falling under HS Code 55151130 in Merchandise Exports from India Scheme (MEIS) of FTP 2015-20.
- Re-activation of Shipping Bills lying pending for claiming Chapter 3 benefits.
- Issues of the member- exporters to be taken up at the Grievance Redressal Committee Meeting held every month in the office of ADGFT, Mumbai.
- Inclusion of the details of the products falling under SRTEPC jurisdiction and to make changes in the email and website address of the Council in the Appendix 2T.
- Inclusion of left out 28 MMF Textiles products under Merchandise Exports from India Scheme (MEIS) and this matter was also taken up with the Ministry of Textiles.
- Difficulty faced by the member- exporters in

acceptance of their Application under MEIS as description differs.

- Difficulty faced due to FPS Application.
- Issues relating to redressal of grievances of trade and industry pertaining to FTP 2015-2020 and procedures.
- Problems of issuance of DFIA License and Executing Bank Guarantee/ Legal Agreement.
- Difficulty faced by the exporters in acceptance of their Application under MEIS as description differs.
- Difficulty faced by an exporter regarding pending Drawback Claims regarding purchase of HSD Oil during the years 1995-1996 to 2005 in respect of being an 100% Export Oriented Unit. (Matter also taken up with Noida Special Economic Zone).
- Online Application Module for MEIS not appearing online on DGFT Website.
- Problems faced by the exporters due to data error code: 00 & 02 & 52 shown on the DGFT website while amending the EPCG License.
- Availment of MEIS benefit under HS Code Nos. 55151130.
- Difficulty faced by our member- exporters regarding difficulty faced by them due to non issuance of Export Obligation.
- Reply regarding Consultations in connection with Mid-Term Review of the Foreign Trade Policy (FTP) 2015-20.
- List of products sent for inclusion in the MEIS for consideration in the forthcoming Annual Supplement of the Foreign Trade Policy 2015-2020 benefiting the Textile Industry.

## (IV) OTHER DEPARTMENTS OF THE MINISTRIES

- Request for a clarification from ECGC Limited (ECGC) regarding Group Insurance Policy from ECGC for its member-exporters.
- Matter taken up with the Indian Overseas Bank and Kotak Mahindra Bank due to denial by them for non acceptance of the export documents of the exporter against advance payment from Iran.
- Inputs sent to FICCI on Brainstorming Session held



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on 11th November 2016 in New Delhi.

- Inputs provided for Joint Meetings of 1) India-Kyrgyzstan- Inter Governmental Commission on Trade Economic, Scientific and Technological Co-operation Meeting (IK- IGC), 2) India- Bangladesh - Commerce Secretary Level Meeting and 3) India-Korea – CEPA Meeting.
- The Council prepared a Report on Short, Medium and Long term Strategies given details of the target markets, the existing products, potential products and products when China vacates.
- Inputs on Power Tariff provided for a meeting held on 29.11.2016 with HMOT.
- Inputs sent to the Ministry on PTA-India Mercosur regarding 'Suggested Margin of Preference (MOP)' for the MMF textile products falling under the purview of the Council.
- Reply sent to the Directorate of Revenue Intelligence, New Delhi regarding Fabrication of documents for getting Registration cum Membership Certificate and also, requested for provision of more inputs with respect to the anomalies identified in the RCMC/ IEC.
- List of additional duty/ safeguard duty imposed by turkey on textile items sent to the Ministry.
- Presentation on the suggestions for FTP 2015-2020 for Sectoral Performance (Mid- Term Review Meeting ) held on 02nd March, 2017.
- Request sent for to the Canara Bank issuance of NIL Certificate regarding Outstanding for the period from Date of opening of account (i.e. year 2000) till date of closure of Account (22/09/2016) from Canara Bank
- The Council commented on Draft Guidelines for Financial Assistance under Para 7.3.3 of MAI Scheme

## ANTI-DUMPING ISSUES

### DUMPING ISSUES

#### ❖ Expiry Review on Anti-Dumping Duty by Turkey on Yarns made out of man-made or synthetic or artificial staple fibres

A Note was sent to the Ministry of Textiles on the Sunset Review initiated by Turkey on imports of "Yarn of Man-made or Synthetic or Artificial Staple Fibres" from India for persuading the matter further and also recommending the Ministry of Commerce to take it up at diplomatic level.

#### ❖ Imposition of Additional Duty/Anti Dumping Duties by Turkey on Textile products from India

A request was sent to the Ministry of Textiles to take up the matter regarding imposition of Additional Duty/ Anti Dumping Duties by Turkey on Textile

products from India, with the Turkish Government for an amicable solution so that the said duties are removed.

Interim review investigation initiated by the Ministry of Economy Turkey on import of Fully Drawn Yarn originating from India

The Ministry of Economy Turkey initiated an Interim review investigation on import of Fully Drawn Yarn originating from India vide Official Gazette No.29824 dated 7th September, 2016 on import of Fully Drawn Yarn originating from India falling under HS Code 5402.47. A request was sent to the Ministry of Economy in Turkey for the copy of the Questionnaire since some of the Members were facing this investigation.

## PUBLICITY

In order to generate awareness in the overseas markets about the Indian synthetic textile industry and its growing capabilities to meet the fast changing global demand for high quality products, the Council carried out publicity programme in 2016-17.

### INFO SRTEPC

The Council published its monthly bulletin, INFO SRTEPC on a regular basis and copies were circulated among members punctually throughout the year. The publication played a pivotal role by giving latest updated information on various markets, policy developments, news relating to exports, trade notifications, export statistics, overseas trade enquiries, Council's activities in India and abroad, etc. The Chairman in his regular messages to the members highlighted various contemporary problems being faced by the exporting community and the remedial measures being taken by the Council to tackle these problems.

### Press Releases

The Council issued Press Releases highlighting exports of synthetic and rayon textiles, export promotion activities of the Council, etc. The press releases issued received coverage in the newspapers and trade journals as well as textile website.

### Articles

Special articles of man-made fibre textile industry, export trade, promotional activities of the Council, etc. were prepared and periodically sent for publication in textile/trade magazines.

### SRTEPC Diary

The Council printed SRTEPC diaries for the year 2017. The Diary contained information about SRTEPC services, important addresses of Ministries, brief on Man-made fibre textile industry and useful textile terms.

### SRTEPC Brochure

A brochure highlighting the Indian synthetic and rayon textile industry, reliable source of quality synthetic and rayon textiles, services offered to the overseas buyers, etc. was brought out for distribution among visiting overseas buyers during various Exhibitions/Fairs organized abroad.

### Advertisements

Advertisements were released in select journals in India and abroad on the occasion of Exhibitions organized by the Council.

## EXHIBITIONS / FAIRS

### INTEXPO BANGLADESH, Dhaka, Bangladesh

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) as part of its ongoing promotional programme during 2016-17 organised an exclusive Indian Exhibition of Textiles at the Pan Pacific Sonargaon Hotel in Dhaka, Bangladesh on 30th & 31st May 2016. The Exhibition was an initiative of the Ministry of Textiles to tap and consolidate Indian MMF textiles in the Bangladesh market.

The 9th Edition of the Indian Exhibition of Textiles was organized by the Council under the Market Access Initiative (MAI) Scheme in association with the High Commission of India in Dhaka and with the support of three leading Trade Bodies viz Bangladesh Garment

Manufacturers and Exporters Association (BGMEA), The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and India-Bangladesh Chamber of Commerce and Industry (IBCCI).

Thirty member-companies of the Council participated in the Exhibition and put up on display their latest range of Indian textile products which impressed the visiting Bangladeshi buyers.

The Exhibition was inaugurated by Shri Mashiur Rahman, Economic Advisor to the Prime Minister of Bangladesh in the presence of Shri Adarsh Swaika, Acting High Commissioner of India in Dhaka; Shri Dewan Sultan Ahmed, Vice President of India-Bangladesh Chamber of Commerce & Industry and

## EXHIBITIONS / FAIRS

Shri Sri Narain Aggarwal, current Chairman and the then Vice Chairman of SRTEPC, a galaxy of local and electronic media.

The Exhibition received fairly good response during the 2-day duration. It attracted over 150 business visitors, who showed keen interest in the products displayed by the Indian participants. Around 100 general customers/retailers also thronged the Exhibition to have a glimpse of the amazing range of Indian textile items. Most of the member participants were successful in establishing business contacts with their visiting customers to the Exhibition. While a few participants could book small trial orders amounting to more than Rs.20 lakhs for their products, many of them discussed business for their products, which may be converted into orders in the near future. It was estimated that around Rs.8.31 crores orders were booked on-the-spot with expectations of securing significant additional orders in future.

### **SOURCE INDIA, Surat, Gujarat**

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) organized an exclusive Reverse Buyer Seller Meet named SOURCE INDIA on 13th & 14th August 2016 at The Surat International Exhibition & Convention Center, Surat under Market Access Initiative (MAI) Scheme. 105 companies including 39 participants from the Small Scale Industries of the Council put up a display of their latest range of man-made fibre textiles including fabrics, yarn, fibre, home textiles, technical textiles, embroidered fabrics, etc. at the 2-day Meet. The two-day Meet evoked good response of over 1200 visitors.

Around 100 foreign buyers comprising top importers and opinion leaders were invited from the target 31 countries in Asia, Middle East & Gulf, Africa, South America, Europe and Australia. Delegations of leading buyers were also present at "SOURCE INDIA" from the leading garment producing countries like Vietnam, Sri Lanka, Bangladesh, Turkey and Afghanistan. Senior representatives and purchasing teams of leading buying houses including JC Penny, Varner Group, Hellenci India, Retail brands of India and apparel manufacturing companies also visited "SOURCE INDIA".

Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles, the Chief Guest on the occasion, inaugurated "Source India" in the presence of Dr. Kavita Gupta, IAS, Textile Commissioner; Smt. Sundaina Tomar, IAS, the then Joint Secretary (Exports), MOT; Smt. Darshanaben Jardosh, Member of Parliament from Surat; Shri Prabhu Vasava, Member of Parliament from Bardoli, Gujarat; Smt.

Sangitaben Patil, MLA; Shri Anil Rajvanshi, the then Chairman, SRTEPC; Shri Sri Narain Aggarwal, current Chairman and the then Vice-Chairman, SRTEPC; Shri Rakesh Mehra, Immediate Past Chairman and Convenor of the Event; former Chairmen; Members of the Committee of Administration; dignitaries; senior officials; representatives of the participating companies, media and others.

Around 100 foreign buyers representing 31 countries from Asia, Middle East & Gulf, Africa, South America, Europe and Australia were invited for the event. Many participating companies were successful in establishing business deals with the foreign buyers. Some of them even confirmed of on-the-spot business orders and future negotiations.

On the occasion SRTEPC and Kabul Chamber of Commerce & Industry (KCCI) signed a Memorandum of Understanding (MOU). The signing of the MoU was seen as the first step towards developing good trading relationship between SRTEPC and KCCI for further expansion of trade of MMF textiles between the two countries.

As part of the event Fashion Shows, Theme Pavilion and Seminars & Workshops were held during the 2-day Meet.

### **47th Federal Trade Fair for Apparel & Textile TEXTILEGPROM, Moscow, Russia**

The Council organized participation of thirty-six member companies in the 47th Federal Trade Fair for Apparel & Textile TEXTILEGPROM in Moscow during 20th-23rd September 2016. The participation was organized under the Market Access Initiative (MAI) Scheme, with the active guidance of the Embassy of India in Moscow.

The companies displayed a range of their latest textile products including various yarns, fabrics, embroidered fabrics, woven fabrics, ladies dress materials, shirting and suiting, denims, readymade garments, etc. at Hall/Pavilion No. 69 which was inaugurated by Mr. Alexander A. Kruglik, CEO of the organizing agency of the Fair along with Mr. Ram Singh, Director, Ministry of Textiles, Government of India.

The event received fair response from the Russian buyers, importers and importing agents. Around 200 Russian importers/buyers/agents visited the stalls and enabled the participants to establish contacts, receive trade enquiries, etc. The Fair gave participants an opportunity to understand the requirements of the Russian market, its business practices, etc. as most of them were new to the Russian market. Participating

## EXHIBITIONS / FAIRS

companies could also meet and build cordial business relationship with the Indian origin Russian businessmen, importers and agents who are presently importing from countries like China, Turkey, etc. It is reported that most of the participating companies were successful in receiving trade enquiries for their products. The total estimated amount of business under negotiation is reported to be around US\$ 7 million.

### **INTEXPO, Myanmar**

The Council organized 2nd edition of its flagship export promotional programme – INTEXPO in Yangon, Myanmar on 11th & 12th December 2016, under the Marketing Development Assistance (MDA) Scheme. The Exhibition was organized jointly with the active assistance and guidance of the Embassy of India in Yangon and support of Indo-Myanmar Chamber of Commerce and Industries.

Eighteen member companies of the Council participated and displayed their range of MMF and blended textile products. The products displayed during the two-day event were mostly fabrics like 100% polyester, 100% cotton, polyester-cotton, polyester-viscose, suiting, shirting, grey fabrics, embroidered fabrics, ladies dress materials which are in high demand in Myanmar.

A pre-event Press Meet was organized prior to the Exhibition on 9th December to publicize the event. Thirty-five journalists both from the print and electronic media attended the Press Meet.

The Exhibition received encouraging response from the Myanmar textile buyers, importers, agents, wholesalers and fashion designers. The 2-day Exhibition attracted 250 trade visitors. As per the feedback received from participants about US\$ 1.5 million business orders were booked on-the-spot and total estimated amount of business under negotiation is reported to be around US\$ 3 million.

### **IM INTERMODA, Guadalajara, Mexico**

The Council organized the first ever participation of its member companies in IM INTERMODA Guadalajara, Mexico during 17th-20th January 2017 in association with the Embassy of India in Mexico under Marketing Development Assistance (MDA) Scheme.

Twenty-two member companies of the Council including well-known ones viz. Raymond Ltd., Banswara Syntex Ltd., Prafful Exports, Sutej Textile & Industries Ltd., BSL Limited, Sangam India Ltd., Rajvir Industries Limited, Shree Mahadeo Cotton Mills Ltd. took part in IM INTERMODA, Guadalajara, Mexico and showcased their latest range of man-made fibre textile products.

The participating SRTEPC member-companies exhibited a wide array of items of MMF textiles including fabrics of different variety that are used for suitings, shirtings, dress fabrics, embroidered fabrics, made ups like scarves/stoles, home textiles and yarn.

Council's participating member companies were provided booths at the 'India Pavilion' which was jointly inaugurated by H. E. Shri Muktesh Pardeshi, Ambassador of India to Mexico; Shri Anil Rajvanshi, the then Chairman, SRTEPC and Shri Neerav Mallick, Director, MOT in the presence of Senior Executives of participating Indian companies, media persons and other local dignitaries.

On the occasion of INTERMODA a three-member Delegation comprising Shri Mukund Kothari, Export Head, Reliance Industries Ltd.; Shri Gaurav Agarwal, AGM, Sutej Textiles and Industries Ltd. and Shri Arvind Kumar Shah, Director, Fairdeal Filament Ltd. were invited to meet industry heads of the Mexican trade bodies to brief them about the capability of the Indian textile industry for meeting their specific sourcing requirements of textiles from India. During the visit, the members of the Delegation along with the then Chairman of the Council; Shri Neerav Mallick, Director, MOT and the Ambassador of India to Mexico had Meetings with the heads of the local trade bodies.

The Exhibition helped most participants establish good trade contacts with prospective customers and discuss business with them. Early feedback suggests that an estimated amount of Rs.9.5 crores was negotiated during the Fair. A few of the participants also booked some on-the-spot trial orders worth Rs. 1.25 crores.

### **INTEXPO, Dubai, UAE**

Council, as part of its Export Promotion Program for the year 2016-17, organized for the first time an exclusive 2-day exhibition of Textiles in Dubai, UAE on 19th & 20th February 2017, under the Market Access Initiative (MAI) Scheme. M/s India Trade & Exhibition Centre (ITEC) was appointed as the Event Management Agency to assist in organizing various logistical requirement for the Exhibition. Select Business Meetings on a one-to-one basis was also organized for participating member companies during the two-day event. Nineteen companies participated in the Exhibition of which 16 companies were from SRTEPC, two from AEPC and participation of National Jute Board itself, showcased a wide array of products like suiting, shirting, dress fabrics, made-ups, yarn and apparels of different varieties.

Most of the participants appeared to be successful in establishing good potential trade-contacts. According to the initial feedback received from the participating



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companies, an estimated amount of Rs.5.20 crores was generated during the INTEXPO in UAE. A few participants even reported of being able to book some spot trial orders valuing around Rs.2.59 crores.

### INTEXPO Ethiopia & Kenya

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) organized exclusive Indian Textile Exhibitions INTEXPO in Ethiopia and Kenya during 6th – 10th March 2017, under Marketing Development Assistance (MDA) Scheme as part of its Export Promotion Initiatives for the year 2016-17 of the 'Focus Africa' sector as defined by the Ministry of Textiles. M/s Exposition UK Ltd, who were the Event Management Agency for the previous edition of Ethiopia and Sudan in 2014 were retained as the EMA for this edition also.

Ten Indian textile companies participated in both the exhibitions and displayed their latest range of textile products, including yarn, fabric, ladies dress materials, shirting and suiting, uniform fabrics and home furnishings.

The INTEXPO in Addis Ababa, Ethiopia was held on 6th and 7th March 2017 at Hotel Addis Sheraton, Addis Ababa and INTEXPO in Nairobi, Kenya on 9th & 10th March 2017 at Hotel Laico Regency, Nairobi

INTEXPO Ethiopia was inaugurated by H. E. Mr. Anurag Srivastava, Ambassador of India and Rotarian Rajeev Kumar Sharma, Committee Member of the India Business Forum. INTEXPO Kenya was inaugurated by H. E. Mrs. Suchitra Durai, High Commissioner of India to Kenya, Mr. James Mureu, Vice Chairman, Kenya National Chamber of Commerce, Chairman, National Economic Diplomacy Committee and Mr. Samson Wangusi, Sr. Deputy Secretary, Ministry of Industry, Trade & Co-operatives, Govt. of Kenya.

The two-day Exhibition in Ethiopia attracted 231 visitors. The main response was for Suiting, Shirting, Polyester Yarn and Poly viscose Fabrics. As per the feedback from the exhibitors, business of about US\$ 250000 was under negotiation. There is expected to emerge a huge market for Home Furnishings in the near future as 1000 Hotel Rooms shall be coming up within the next couple of years in Addis Ababa.

The Exhibition in Kenya drew 171 visitors during the two days. The main response was for Suiting, Shirting, Home Furnishings, Uniform and Interlock Fabrics. As per the feedback from the exhibitors, an estimated business of about US\$ 300000 were under negotiation.

### EXPOCOMER, Panama

The Synthetic & Rayon Textiles Export Promotion Council

(SRTEPC) organized participation of its member-companies in "EXPOCOMER" held at the Atlapa Convention Centre in Panama City from 22nd to 25th March, 2017, under Marketing Development Assistance (MDA) Scheme as part of its Export Promotion Programme for 2016-17 in the Latin American Region.

Seven member-companies of the Council participated in the Exhibition through the Council and showcased their products to their target customers. The participating SRTEPC companies exhibited various textile items (made with Man Made Fibre and their blends/mixtures) including fabrics: like suitings, shirtings, dress fabrics, embroidered fabrics; made-ups: like scarves/stoles; and synthetic and blended yarn of different varieties. Display of textile product arranged by SRTEPC member-companies at their respective booths drew appreciation from visiting buyers and dignitaries, helped in creating the right image and conducive atmosphere for the member-companies for negotiating business with visiting customers at their booths. The Indian participants were accommodated at a demarcated area, called "India Pavilion".

Her Excellency, Ms. Shamma Jain, Ambassador of India in Panama inaugurated the India Pavilion along with Mr. Fernando Arango Morrice, President of CCIAP Exhibitions and Events Organizing Committee of EXPOCOMER Fair and Shri Ronak Rughani, Vice Chairman, SRTEPC amidst the presence of other local Dignitaries, Panamanian Businessman, Indian Exhibitors and Media Persons.

EXPOCOMER 2017 attracted local and International business visitors, and participating member-companies of the Council were able to establish fruitful business contacts. The representative of the participating companies of the Council also received visitors from Colon Free Trade Zone, which is a major Textile Trading Centre of the region, in view of its unique location and the duty free structure of transactions there. Many participants also visited leading traders of textiles and garments in the Colon Free Trade Zone. According to the initial Feedbacks received from the participants during the Fair, an estimated amount of Rs. 2.90 Crores was negotiated at the Fair, which may be converted into business orders. Some participants have even reported of booking small trial orders during the Fair amounting to Rs. 33 Lakhs. Besides, the contacts established during the Fair is expected to result in substantial business orders in the near future.

## SRTEPC TRADE CENTRE

With an aim to further give boost to exports of MMF textiles, besides helping visiting foreign buyers the Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) established a TRADE CENTRE at its Mumbai Head Office in 1979. The Trade Centre was designed as a "One-Stop-Sourcing Point" for Overseas Buyers looking for the best deals in the shortest possible period. At the Trade Centre, the entire range of the Indian synthetic and rayon textiles is on display under one roof. Prospective importers visiting the TRADE CENTRE enjoy an added advantage for sourcing their specific requirements of textiles from India as the Council provides them with ready assistance in selected products and suppliers according to their specifications.

Situated at Mumbai, the commercial "Hub of India", the TRADE CENTRE arranges business meetings on "one-to-one" basis between Indian suppliers and visiting importers generating trade enquiries from many member-companies, which result in business. The CENTRE has a data-base of profiles of Overseas Buyers

of various countries, which is used by member exporters to find buyers of their choice in existing and new markets. The SRTEPC TRADE CENTRE also offers professional services to Indian companies to plan their export activities. This range of services and many more are offered by the TRADE CENTRE to help Indian exporters to further expand their trade of MMF textiles with countries across the world.

The services, offered by the SRTEPC TRADE CENTRE, help many exporters clinch new deals, and renew existing ones.

### Foreign Trade enquiries

Over the years, the Council has established itself as a reliable Apex Organization, which links overseas buyers with Indian exporters to engage for long term business relations. As a result, overseas buyers are in touch with the Council to identify appropriate Indian suppliers. 6 Importers/agents from 6 countries contacted the Council with specific enquiries during the year.

## MARKETING DEVELOPMENT ASSISTANCE

Export Promotion is of prime importance in the developmental activities of the Government and to the growth of national economy. In order to boost and diversify the export trade, the Government is providing Market Development Assistance (MDA) to exporters for undertaking export promotion activities. The Council as the designated body plays a crucial role for implementation of the MDA Scheme.

The Council provides assistance and advice to the exporters in the procedures as per the Guidelines laid down by the Ministry of Commerce & Industry for availing the MDA facility. The Applications and Claims of exporters received by the Council during Exhibitions/Fairs organized abroad were promptly

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

Members were also informed about amendments and modifications introduced by the Ministry of Commerce and Industry in the Scheme through special circulars, Council's newsletter and website. Many exporters have availed this MDA facility by participating in the Exhibitions/Fairs organized by the Council.

The Council disbursed MDA to 41 member-exporters during the period 2016-17 to the tune of Rs.55,15,000/-

## RESEARCH

The Council provides up-to-date information to its member-exporters on various relevant and vital issues pertaining to Man-made fibre & blended textiles like exports, imports, potential markets/products, duty structure, trade policy, etc. through exhaustive Market Research. Taking into consideration the dynamic global market scenario, growing economic uncertainties and challenges in export fronts, the Council had carried out/ conducted certain research activities during 2016-17; some of which are given as follows:

### Exclusive Data Compilation

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

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

### Market Research

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

markets, products, etc. through exhaustive research activity. Council had conducted extensive desk research and collected certain data through primary research in order to keep its member companies most updated with the market dynamics and volatile industry situations all over the globe.

### Market Trends

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

### Monitoring Export Performance

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

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

### Export Statistics

Monthly export statistics on Man-made fibre and blended textiles were compiled from data received from various sources like Port data from TIPS, 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



## RESEARCH

published in Council's monthly publication, hosted in its website for the benefit of its members. The data were also used in preparation of press releases, articles, and special proposals for submission to different authorities.

### Country Report/Alert

Researching on various markets all over the globe was an integral part for the Council's Export Promotional Strategy. More than just compiling data and statistics; all data collected were analysed and transformed into relevant information/report that provided practical guidelines for member-exporters to enter and expand in various markets both new and emerging. Some of the important Market Reports which were prepared and published in Council's monthly publication - INFO SRTEPC during 2016-17 for the countries such as Myanmar, Mexico Panama, Russia, Kenya and Ethiopia.

### Important Write-ups

During 2016-17, the Market Research Department of the Council had also prepared and published articles on various significant issues. Various notes/comments in connection with bilateral/multilateral negotiations/meetings, FTAs, RCEP, etc. were prepared and sent to the Ministry of Textiles, Ministry of Commerce, and office of the Textile Commissioner, etc.

### Parliament Question

Replies to the Parliament Questions (Questions asked in Lok Sabha & Rajya Sabha) were prepared and forwarded to the Government for necessary action.

### Certificate of Origin

The Council issued 319 nos. of Certificate of Origin for non-quota items to member-exporters during the year.

## EXPORT AWARD CEREMONY

The Synthetic & Rayon Export Promotion Council held its annual Export Award Function on Friday 27th January 2017 in Hotel Westin, Mumbai.

The Council has been carrying on the tradition of felicitating its member companies for their outstanding export performance by bestowing award and over the years have introduced new award categories to encourage and motivate exporters of different sectors.

The then Secretary Textiles, Smt. Rashmi Verma, IAS graced the event with her presence and encouraged all with inspiring words. As the Chief Guest she presented the awards to the exporters for their outstanding export performance for the year 2015-16. Dr. Ms. Kavita Gupta, IAS, Textile Commissioner was Special Guest at the function and she encouraged the award winners to repeat their excellent performance in years ahead.

The Function was honoured by the august presence of Shri R. L. Toshniwal, Shri G. K. Gupta, Shri Rakesh Mehra, Shri Sanjeev Saran, former Chairmen and Shri Anil Rajvanshi, the then Chairman of the Council, Dr. Vinod Kumar Ladia, Convenor, Export Award Committee and former Chairman of the Council and Shri Sri Narain Aggarwal, present Chairman and the then Vice Chairman of the Council. The Function was also attended by several stalwarts and industry dignitaries, members of the Committee of Administration of the Council, representatives of the award winning

companies, large number of member exporters of the Council, Government officials and media persons.

For the year 2015-16 in all there were 43 awards. This year the Council introduced six awards in the SME category to encourage member exporters of that sector. The SRTEPC Special Award for the Best Overall Export Performance (Gold Trophy) was won by Reliance Industries Ltd. Grasim Industries Ltd. bagged the Silver Trophy for the Second Best Overall Export Performance while RSWM Ltd. was awarded the Bronze Trophy for the Third Best Overall Export Performance. M/s. Banswara Syntex Ltd. won the Trophy for the Fourth Best Overall Export Performance.

The other companies which received award in various categories were Wearit Global Limited, Dicitex Furnishings Limited, Le Merite Exports P. Ltd., Gulabdas & Co., Indian Acrylics Ltd., Wellknown Polyesters Ltd., Alok Industries Ltd., Sutlej Textiles & Industries Ltd., Spentex Industries Ltd., Madura Coats Private Limited, D'décor Home Fabrics Pvt. Ltd., D'décor Exports Pvt. Ltd., Saam Textiles Pvt. Ltd., Pee Vee Textiles Limited, Kishorilal Shyamsunder, Shriram Rayons, Vijay Fabrics Pvt. Ltd., Shammi Fashions Pvt. Ltd., Vidish (Exports) Ltd., Samyak Synthetics Pvt. Ltd., Reaghan Fashions Pvt. Ltd., BSL Ltd and V Tex Overseas Pvt. Ltd.

In his introductory speech the then Chairman Shri Anil Rajvanshi reiterated Council's standing as one of the



## EXPORT AWARD CEREMONY

biggest Councils in the textile sector with 5000 members and 62 years of service. He applauded the Ministry of Textiles and the Secretary Textiles for the recently announced packages to the Garment and Man-made sector. He pointed out that the MMF textile has been subjected to high tax duty compared to cotton and highlighted other problems faced by the MMF textile industry. On GST, he mentioned that more clarity was needed and he said that industry has unanimously agreed on one industry one rate. He requested the Ministry to have a merit rate for the textile industry.

He also stated that it is important to develop Man-made Textiles because China is vacating the space in terms of man-made textile exports. He further said that China has US\$ 60 –US\$ 65 billion worth of man-made textile exports and if India gets even 10% of that our MMF textile exports will double. Shri Rajvanshi said that the non-conclusion of TPP will open up opportunity window for India as there will be benefits for Vietnam and we will be on par with them as far as exports to EU are concerned. Concluding his speech, the then SRTEPC Chairman said that there is need to strive hard to maintain the tempo of exports and urged all member exporters to keep up the good work for excelling Council's position.

The then Secretary Textiles, Smt. Rashmi Verma said that MMF Textiles plays a key role in Indian exports, about 17% is being contributed from this sector and there is lot of potential as the demand world over is increasing more for synthetic usage of MMF is 70% as against 30% of cotton in the world. She said that however in India there is still a reverse position 60% cotton and 40% MMF and thus there is lot of potential for the MMF textiles to further grow. She reiterated that India is at par and can compete with Vietnam if the industry and Government work together to come up with a strategy to penetrate the markets like China and Vietnam more. She stressed that there is a need to develop more and new products

and improve the quality and bring economies of scale by setting up larger units if we want to compete. She opined that the adverse tax structure was the reason for the MMF textile industry not growing as much as potential and opportunity it has in the international market. She believed the lopsided tax structure is one of the reasons that handicap the MMF textile industry. The Ministry of Textiles has been regularly putting forth its view on a fibre neutral tax structure and she said that the coming Budget will see some benefit to the MMF sector. She also expressed hope that with the GST roll out in July 2017 there will be a favourable tax structure for the MMF textile industry.

Congratulating the Council and the award winners for their excellent export performance Dr. Kavita Gupta, Textile Commissioner said that over the years (2009-2015) the apparel and the home textiles sector has grown at CAGR 11% and the Technical Textiles at CAGR 12%. She expected a further growth in all these three sectors with the growth in the man-made fibre and yarn industry which she believed is the need of the hour. She hoped that the SRTEPC would put their all-round efforts to take advantage of all the components of the package announced by the Ministry for the made-ups sector.

Dr. V. K. Ladia, Managing Director of Shree Rajasthan Syntex Ltd. and former Chairman of the Council was conferred the Life Time Achievement Award for his exceptional contributions to the man-made fibre textile industry.

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

The presentation of awards was followed by a scintillating Entertainment Programme.

## SYSTEM SERVICES

To be in step with computerization the Council has been consistently digitalizing its activities. Towards this endeavour various software applications were developed for performing the major activities of the Council. In keeping with the "Green Revolution" propagated by the Government for saving paper the circulars and other notifications were mailed to the members.

### Council's website

The website of the Council was regularly updated to keep the members well informed about the various activities carried out by the Council. The Council also allows members to publish their advertisements on its website and enroll for Market Place on council's website at a nominal rate. The monthly publication, INFO SRTEPC is also being uploaded on the website.

## REGIONAL OFFICES

The Regional Offices of the Council at New Delhi and Surat play crucial roles in engaging with the Government and industry to resolve many issues concerned with Export Promotion Policy. The Regional Offices not only act as a facilitator between Government and Industry for enhancing exports of MMF Textiles but also spread time sensitive strategic information among the member exporters with the active support of the Head Office in Mumbai.

### NEW DELHI REGIONAL OFFICE

The Regional Office at New Delhi successfully carried out the certification work of member exporters in Northern Region. Apart from this, about 186 Certificates of Origin were issued to member exporters of the region during the year.

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

During the year 2016–17, as many as 60 new members enrolled in the Council at the Regional Office, besides registration of some members for membership directly at the Head Office from other parts of Northern Region. The Regional Office made concerted efforts for securing membership fees, as a result of which 172 members renewed their membership.

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

The Regional Office, New Delhi on behalf of the Council successfully participated in India's biggest textiles show "TEX-STYLES INDIA 2017" organized by India Trade Promotion Organization at Pragati Maidan, New Delhi from 21st February to 24th February 2017. During the Exhibition, the Council received overwhelming response from trade and industry. About 13 business visitors showed keen interest in the promotional activities of the Council.

In coordination with New Delhi Regional Office, the Officials from Head Office attended various periodical meetings at the Ministries of Textiles, Commerce &

Industry, Finance and Department of Revenue, CBEC, Drawback, Income Tax & DGFT and presented the Council's suggestions in various issues pertaining to the trade.

### SURAT REGIONAL OFFICE

The textile industry of Surat is one of the oldest and the most widespread industries in Surat and thus known as the textile city of Gujarat. The textile industry in Surat is engaged in the activities of yarn production, weaving, processing as well as embroidery. Surat is also well known for its synthetic product market mainly synthetic fabrics, yarn, made up items and narrow fabrics.

During the year 2016-17 textile products from the region were exported to more than 80 countries ranging from Asia, Middle East, Africa and West Indies to America, Europe, EU, and Oceania. Middle East was the topmost market for textile products from Surat followed by Asian countries.

In the year 2016-17 Council had 3815 members of which 2100 were from Gujarat with majority of them being from Surat. The Surat R.O. spearheads the Mumbai division in encouraging them to become Council's members.

The Regional Office in Surat in its constant endeavor to increase its membership strength, regularly followed up new enquiries through e-mails, telephone, etc. and were constantly in touch with existing members and consultants who represent members and educated them on the advantages of renewing membership with Council.

At the Regional Office members of the region were contacted for mobilizing their participation in various Council organized Exhibitions/Fairs.

The Regional Office arranged Business Meetings of Indian fabric exporters from the region with Bangladeshi fabric buyers on the sidelines of the visit of the Prime Minister of Bangladesh during December 2016.

A Meeting was called on 25th October 2016 to discuss matters to be taken up for discussion at the Meeting with the Ministry of Textiles in November 2016.

317 Certificates of Origin were issued during the financial year 2016-17 by Regional Office



# EXPORT AWARD FUNCTION 2015-16



On the dais at the Export Award Function from L to R Shri V. Anil Kumar, Executive Director, SRTEPC; Dr. Ms. Kavita Gupta, Textile Commissioner; Shri Anil Rajvanshi, the then Chairman, SRTEPC; Smt. Rashmi Verma, the then Secretary Textiles and Shri Sri Narain Aggarwal, the then Vice Chairman, SRTEPC.



Shri Hemant Sharma, Sector Head Polyesters, Reliance Industries Ltd. receiving the Best Overall Export Performance Award for the year 2015-16 from Smt. Rashmi Verma, the then Secretary Textiles.



Shri Sanjay Verma, President, Sales & Marketing, Grasim Industries Ltd. receiving the Second Best Overall Export Performance Award for the year 2015-16 from Smt. Rashmi Verma, the then Secretary Textiles.



Shri M. L. Jhunjhunwala, President, RSWM Ltd. receiving the Third Best Overall Export Performance Award for the year 2015-16 from Smt. Rashmi Verma, the then Secretary Textiles.



Shri Rakesh Mehra, Vice Chairman, Banswara Syntex Ltd. receiving the Fourth Best Overall Export Performance Award for the year 2015-16 from Smt. Rashmi Verma, the then Secretary Textiles.



Shri Anil Rajvanshi, the then Chairman, SRTEPC presenting a memento to the Chief Guest Smt. Rashmi Verma, the then Secretary Textiles at the Export Award Function.



Dr. Vinod Kumar Ladia, Chairman, Shree Rajasthan Syntex Ltd. receiving the Life Achievement Award from Smt. Rashmi Verma, the then Secretary Textiles.



Scenes from the Entertainment Programme at the Export Award Function





## EXHIBITIONS/FAIRS



### INTEXPO, Bangladesh

Mr. Mashiur Rehman, Economic Advisor to the Prime Minister of Bangladesh inaugurating the INTEXPO, Bangladesh 2016. Also seen in the picture from l to r Mr. Srijob Roy, Addl. Director, SRTEPC; Mr. Dewan Sultan Ahmed, Vice President of India-Bangladesh Chamber of Commerce & industry; Mr. Adarsh Swaika, Acting High Commissioner of India in Dhaka; Mr. Bijay Selvaraj, First Secretary (Commercial), Embassy of India, Dhaka and Mr. Sri Narain Aggarwal, current Chairman and the then Vice Chairman of SRTEPC.

### 'TEXTILLEGPROM' Fair, Moscow, Russia

Mr. Alexander A. Kruglik, CEO of Yarmarka Ltd. the organizing agency of the Federal Trade Fair for Apparel & Textile inaugurating the India Pavilion in the 'TEXTILLEGPROM' Fair in Moscow, Russia along with Mr. Ram Singh, Director, Ministry of Textiles, Government of India.



### INTEXPO Myanmar

H.E. Mr. Vikram Misri, Ambassador, Embassy of India, Yangon; Mr. Ashok Murarka, Vice President, Indo-Myanmar Chamber of Commerce & Industry; Mr. Sri Narain Aggarwal, current Chairman and the then Vice Chairman, SRTEPC and Mr. V. Anil Kumar, Executive Director, SRTEPC jointly inaugurating the INTEXPO Myanmar.



## EXHIBITIONS/FAIRS



### INTERMODA, Guadalajara, Mexico

H. E. Mr. Muktesh Pardeshi, Ambassador of India in Mexico (in the centre) along with Shri Anil Rajvanshi, the then Chairman, SRTEPC (to his right) and Shri Neerav Mallick, Director, MOT (to his left) jointly inaugurating the 'India Pavilion' at INTERMODA, Guadalajara, Mexico.



### INTEXPO, Dubai

Shri Anuraj Bhushan, Consul General of India of the Indian Consulate in Dubai inaugurating the INTEXPO in Dubai, UAE

### EXPOCOMER Fair, Panama

H.E. Ms. Shamma Jain, Ambassador of India in Panama along with Mr. Fernando Arango Morrice, President of CCIAP Exhibitions and Events Organizing Committee of EXPOCOMER Fair (centre) and the SRTEPC Vice-chairman, Shri Ronak Rughani inaugurating the 'India Pavilion EXPOCOMER Fair amidst the presence of member participants.





## EXHIBITIONS/FAIRS/AWARD

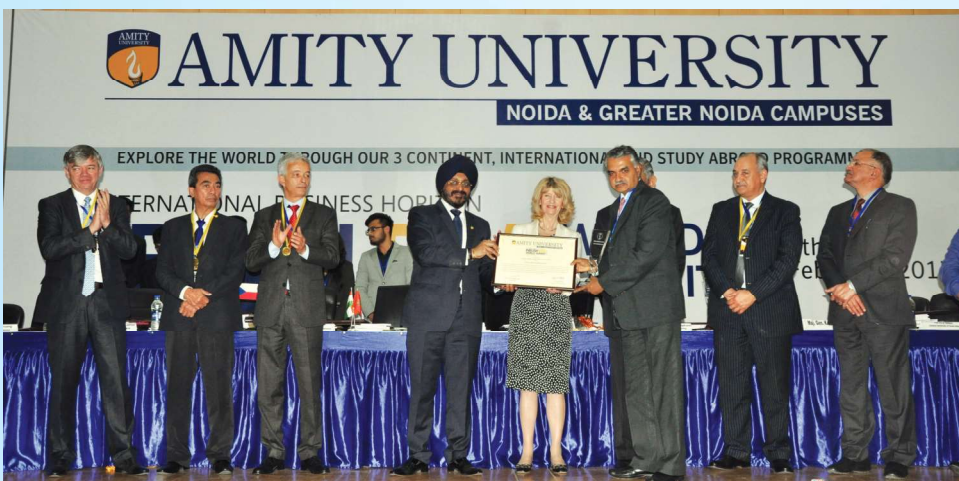


### INTEXPO, Ethiopia

H. E. Mr. Anurag Srivastav, Ambassador of India to Ethiopia along with Rotarian Rajeev Kumar Sharma, Committee Member of the India Business Forum inaugurating the INTEXPO in Addis Ababa, Ethiopia

### INTEXPO, Kenya

H. E. Mrs. Suchitra Durai, High Commissioner of India to Kenya along with Mr. James Mureu, Vice Chairman, Kenya National Chamber of Commerce, Chairman, National, Chairman, National Economic Diplomacy Committee and Mr. Samson Wangusi, Sr. Deputy Secretary, Ministry of Industry, Trade & Co-operatives, Government of Kenya inaugurating INTEXPO in Kenya



### Amity Award 2017

SRTEPC being honoured with the Amity Export Excellence Award 2017 during its 17<sup>th</sup> International Business Summit (INBUSH) Era held in Noida during 8<sup>th</sup>-10<sup>th</sup> February 2017. Shri V. Anil Kumar, Executive Director, SRTEPC receiving the Award on behalf of the Council.



## SOURCE INDIA 2016, SURAT



Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani inaugurating "Source India – 2016". Also seen in the picture from l to r Shri Sanjeev Saran, Member of Steering Committee, Source India; Shri Anil Rajvanshi, the then Chairman, SRTEPC; Smt. Darshana Jardosh, Member of the India Parliament for Surat; Dr. V. K. Ladia, Convenor, Source India and Shri Sri Narain Aggarwal, current Chairman and the then Vice Chairman, SRTEPC.



Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani lighting the inaugural lamp at the Inauguration Ceremony of Source India



Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani addressing the participants at "Source India – 2016", Surat.



Exchanging of the MoUs with the Kabul Chamber of Commerce and Industry



Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles interacting with SRTEPC Buyers



Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani with the members of the Committee of Administration of the Council



View of the audience at the Inauguration of "Source India – 2016", Surat.



The Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani with the then Chairman, Shri Anil Rajvanshi; the then Vice Chairman, Shri Sri Narain Aggarwal and former Chairman Shri Vinod Kumar Ladia.



INTERACTION / AGM / MEETINGS



Hon'ble Union Minister of Textiles, Smt. Smriti Irani interacting with the stakeholders of the MMF textile industry. Also seen on the dais Dr. Ms. Kavita Gupta, IAS, Textile Commissioner, Gol; Dr. V. K. Ladia, former Chairman and Shri Sri Narain Aggarwal, present Chairman and the then Vice-Chairman, SRTEPC.

Shri Sri Narain Aggarwal, present Chairman and the then Vice Chairman, SRTEPC proposing the Vote of Thanks at the 62nd Annual General Meeting of the Council in Mumbai



Shri Sanjay Rana, Ambassador of India to Azerbaijan is being welcomed with bouquet of flowers by Shri Anil Kumar, Executive Director, SRTEPC. Also seen in the picture officers of the Council.

Members of the Drawback Committee interacting with the members of the Committee of Administration at the Meeting from l to r Shri Rajiv Talwar, Joint Secretary (DBK); Shri Gautam Ray, Member, Drawback Committee; Dr. Saumitra Chaudhuri, Chairman of the Drawback Committee; Shri G. K. Pillai, Member, Drawback Committee and Shri Y. G. Parande, Member, Drawback Committee





**AUDITED BALANCE SHEET  
AND  
INCOME & EXPENDITURE ACCOUNT  
2016 - 2017**



## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Sixty Third Annual Report of the The Synthetic & Rayon Textiles Export Promotion Council together with the audited financial statements for the financial year ended March 31, 2017.

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

Your Committee of Administration is pleased to submit herewith the Audited Balance Sheet as on 31st March, 2017, Profit & Loss Account & Cash Flow Statement for the year ended 31st March, 2017.

The Statement of Profit & Loss Account for the year after providing for all known and anticipated charges discloses an excess Income of ₹ 3,14,90,181.12 over Expenses during the year. Last years Surplus is ₹ 18,36,85,300.19 and after adding Profit for the current year leaves a balance of ₹ 21,51,75,481.31.

An amount of ₹ 3,26,31,762.95 shown as Non-Current & Current Liabilities in the Balance Sheet includes [Trade Payable (outstanding bills) etc. ₹ 5,43,447.69, Employee Related Liabilities ₹ 1,10,000/-, Liability for Staff Superannuation Scheme ₹ 13,44,270/-, Liability for Leave Encashment ₹ 53,00,073/-, Liability for Staff Gratuity Scheme ₹ 3,83,074/-, Grant-in-Aid payable towards Re-imbursement to Individual Exporters ₹ 1,13,90,632/-, Unspent Grant-in-Aid from Government of India (MDA) ₹ 43,67,000/-, Liability for Statutory Dues ₹ 2,65,019/-, Advance Membership Fees ₹ 80,150/-, Anti-Dumping Investigation Expenses-Turkey (Net Balance) ₹ 41,29,917.75 & Other Current Liabilities ₹ 47,18,179.51].

### Material changes and commitments affecting the financial position of the Company

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

### Capital

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

### Members

Following members have been added during the year	: 1680
Following members have ceased to be the members of the Council	: 3043
At present the total number of members stands at	: 3819

### Directors

In terms of Article 9.1 (b) of the Articles of Association, the following members of the Committee of Administration Shri Satish Agarwal (Manufacturer), Shri Vinod K. Ladia (Manufacturer), Shri Sri Narain Aggarwal (Manufacturer-SSI), Shri M.L. Jhunjhunwala (Status Holder), Shri Vijay Puri (Status Holder) & Shri Gulam Mohamed (Merchant Exporter) will retire at the ensuing Annual General Meeting. As per the amended Articles of Association No. 27.7(c) of the Council, a retiring member shall be eligible for re-election subject to fulfilling criteria as given in Article 4 for a maximum continuous period of 3 terms of 3 years each including immediate past periods provided he/she continues to be an authorized representative of a member of the Council and he/she is not disqualified from seeking re-election whether under the Act or these articles and as per Articles 27.7 (d), A Member who has served on the committee for a maximum continuous period of 3 terms of three years each cannot offer himself for re-election for a period of three years, after which he may seek re-election.

### Number of Meetings of the Board

The Board of Directors duly met 4 times respectively on 18.6.2016, 16.9.2016, 20.2.2017 and 30.3.2017 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

# DIRECTORS' REPORT

## Particulars of Remuneration

No Managerial Remuneration has been paid to the Directors.

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

## Particulars of contracts or arrangement with related parties

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

## Particulars of loans, guarantees or investments

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

## Auditors

Messrs. N P Jhaveri & Associates, Chartered Accountants, who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting (AGM) and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. N P Jhaveri & Associates, as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the next AGM to be held in the year 2018.

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, 2017 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a 'going concern' basis; and
- v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

# DIRECTORS' REPORT

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

### (A) Conservation of Energy and Technology Absorption

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

### (B) Research and Development

The Company at present has no Research and Development Facilities.

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

1. Foreign Exchange Earnings – ₹. Nil
2. Foreign Exchange Outgo – ₹. 2,91,79,276/-

### 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, 2017, 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 : 17th June, 2017



# FORM NO. AOC-2

ANNEXURE I

## Form No. AOC-2

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

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

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

- (a) **Name(s) of the related party and nature of relationship :**  
None during the year under review
- (b) **Nature of contracts/ arrangements / transactions**  
None during the year under review
- (c) **Duration of the contracts / arrangements / transactions**  
Not applicable
- (d) **Salient terms of the contracts or arrangements or transactions including the value, if any**  
Not applicable
- (e) **Justification for entering into such contracts or arrangements or transactions**  
Not applicable
- (f) **date (s) of approval by the Board**  
Not applicable
- (g) **Amount paid as advances, if any**  
Not applicable
- (h) **Date on which the special resolution was passed in general meeting as required under first proviso to Section 188**  
Not applicable

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

- (a) **Name(s) of the related party and nature of relationship :**  
None during the year under review
- (b) **Nature of contracts/ arrangements / transactions**  
None during the year under review
- (c) **Duration of the contracts / arrangements / transactions**  
Not applicable
- (d) **Salient terms of the contracts or arrangements or transactions including the value, if any :**  
Not applicable
- (e) **Date (s) of approval by the Board, if any :**  
Not applicable
- (f) **Amount paid as advances, if any**  
Not applicable

# EXTRACT OF ANNUAL RETURN

ANNEXURE II

Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
as on financial year ended on 31st March 2017

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

**I. REGISTRATION AND OTHER DETAILS:**

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

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sl. No.	Name and Description of main products / services	NIC code of the Product / Service	% to total turnover of the company
1	MembershipSubscription	-	31.54
2	Contributiontowards Participation for BSMs& Trade Fairs	-	45.30
3			

# EXTRACT OF ANNUAL RETURN

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

#### (i) Category-wise Share Holding

Category Shareholders of	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>(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) =</b>									
<b>(A) (1) + (A) (2)</b>									



EXTRACT OF ANNUAL RETURN

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

# EXTRACT OF ANNUAL RETURN

(ii) Shareholding of Promoters

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

# EXTRACT OF ANNUAL RETURN

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	<b>For each of the Top 10 Shareholders</b>	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)				
	At the End of the year ( or on the date of separation, if separated during the year)				

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	<b>For each of the Directors and KMP</b>	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)				
	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>				
• 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	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission  - as % of profit - others, specify					
5	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

## EXTRACT OF ANNUAL RETURN

### B. Remuneration to other Directors :

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

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission  - as % of profit - others, specify				
5	Others, please specify				
	Total				

EXTRACT OF ANNUAL RETURN

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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



# INDEPENDENT AUDITOR'S REPORT

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

## 1. Report on the Financial Statements

I have audited the accompanying financial statements of SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

## 2. Management's Responsibility for the Financial Statements

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

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

## 3. Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have taken into account the provisions of the Act and the Rules made thereunder including the accounting and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

## 4. Opinion

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

- (a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017
- (b) In case of the Statement of Profit and loss, of the profit for the year ended on that date

## INDEPENDENT AUDITOR'S REPORT

(c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date

### 5 Report on Other Legal and Regulatory Requirements

- 1) The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of subsection(11) of section 143 of the Act, is not applicable to the Company in view of paragraph 1(2)(iii) of the Order providing exemption to Section 8 Companies.
- 2) As required by section 143(3) of the Companies Act 2013, we report that:
  - (a) I have sought and obtained all the information and explanations which to the best of our belief were necessary for the purposes of our audit.
  - (b) in my opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) the Balance Sheet ,Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - (d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on 31st March, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014, in my opinion and to the best of our information and according to the explanations given to me :
    - (i) The Company has disclosed impact, if any, of pending litigations as at 31st March, 2017 on its financial position in its financial statements. Refer Note no 16 of notes to the financial statements.
    - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2017.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company during the year ended 31st March, 2017
    - (iv) The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Refer Note.

For N P JHAVERI AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN 104237W

NITIN P JHAVERI  
PROPRIETOR  
MEM. NO. 033851

MUMBAI: 17th June, 2017

# INDEPENDENT AUDITOR'S REPORT

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

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

1. I have audited the internal financial controls over financial reporting of The Synthetic and Rayon Textiles Export Promotion Council as at 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

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

### Meaning of Internal Financial Controls Over Financial Reporting

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



## INDEPENDENT AUDITOR'S REPORT

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

8. In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such financial controls over financial reporting were operating effectively as at 31st March, 2017 based on the internal control financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N P JHAVERI AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN 104237W

NITIN P JHAVERI  
PROPRIETOR  
MEM. NO. 033851

MUMBAI: 17th June, 2017

# BALANCE SHEET

## BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>LIABILITIES :</b>			
<b>CAPITAL FUND :</b>			
Reserves and Surplus	1	23,45,38,231.31	20,13,68,050.19
<b>NON-CURRENT LIABILITIES :</b>			
Long-Term Provisions	2	52,30,205.00	42,85,256.00
<b>CURRENT LIABILITIES :</b>			
Trade Payables	3	5,43,447.69	4,82,883.60
Other Current Liabilities	4	2,50,60,898.26	1,16,99,607.16
Short Term Provisions	5	17,97,212.00	65,47,850.00
		2,74,01,557.95	1,87,30,340.76
<b>TOTAL :</b>		26,71,69,994.26	22,43,83,646.95
<b>ASSETS :</b>			
<b>NON-CURRENT ASSETS :</b>			
Tangible Fixed Assets	6	47,20,029.03	51,95,345.53
Tangible Work-in-Progress		2,09,38,359.00	2,09,38,359.00
		2,56,58,388.03	2,61,33,704.53
Long Term Loans and Advances	7	1,39,04,284.15	1,23,49,168.00
<b>CURRENT ASSETS :</b>			
Cash and Bank Balances	8	22,51,61,656.16	18,46,95,136.57
Short Term Loans and Advances	9	18,071.00	15,679.50
Other Current Assets	10	24,27,594.92	11,89,958.35
		22,76,07,322.08	18,59,00,774.42
<b>TOTAL :</b>		26,71,69,994.26	22,43,83,646.95
Notes to the Financial Statements and Significant Accounting Policies	1 To 29		

In terms of our report attached.

For and on behalf of the Committee of Administration

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

**SRI NARAIN AGGARWAL**  
Chairman

**RONAK RUGHANI**  
Vice-Chairman

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

**ANIL KUMAR RAJBANSHI**  
Former Chairman

**V. ANIL KUMAR**  
Executive Director Cum Secretary

Place : Mumbai  
Date : 17th June, 2017

Place : Mumbai  
Date : 17th June, 2017

# PROFIT AND LOSS A/c

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Note No	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
<b>REVENUE :</b>			
Revenue from Operations	11	7,02,61,208.00	6,19,95,542.00
Other Income	12	1,85,28,061.87	1,82,43,774.60
<b>TOTAL REVENUE</b>		<b>8,87,89,269.87</b>	<b>8,02,39,316.60</b>
<b>EXPENSES :</b>			
Employee Benefits Expense	13	2,25,34,540.00	2,44,32,795.96
Finance Charges	14	124,957.00	—
Depreciation and Amortisation Expense [Refer Note 27]	6	8,71,925.00	9,22,991.00
Other Expenses	15	3,37,67,666.75	2,29,81,747.60
<b>TOTAL EXPENSES</b>		<b>5,72,99,088.75</b>	<b>4,83,37,534.56</b>
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>3,14,90,181.12</b>	<b>3,19,01,782.04</b>

Notes to the Financial Statements and  
Significant Accounting Policies

1 To 29

In terms of our report attached.

For and on behalf of the Committee of Administration

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

**SRI NARAIN AGGARWAL**  
Chairman

**RONAK RUGHANI**  
Vice-Chairman

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

**ANIL KUMAR RAJBANSHI**  
**Former Chairman**

**V. ANIL KUMAR**  
**Executive Director Cum Secretary**

Place : Mumbai  
Date : 17th June, 2017

Place : Mumbai  
Date : 17th June, 2017



# CASH FLOW

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
<b>A Cash Flow from Operating Activities</b>		
Profit Before Tax	3,14,90,181.12	3,19,01,782.04
Add / (Deduct)		
Depreciation & Amortisation Expenses	8,71,925.00	9,22,991.00
Credit Balances Written Back	(12,22,481.69)	(0,03,707.31)
Interest Income	(151,56,957.81)	(1,56,61,709.79)
(Profit) / Loss on Sale of Fixed Assets	(0,03,530.00)	—
Finance Costs	1,24,957.00	—
<b>Operating Profit before Working Capital Changes</b>	<b>1,61,04,093.62</b>	<b>171,59,355.94</b>
Add / (Deduct)		
Increase / (Decrease) in Trade and Other Payables	0,10,08,773.88	(1,17,93,764.70)
(Increase) / Decrease in Trade and Other Receivables	(03,74,151.76)	45,14,953.87
<b>Cash generated from Operations</b>	<b>167,38,715.74</b>	<b>98,80,545.11</b>
Direct Taxes paid (net of refunds)	(14,07,304.15)	(19,05,961.00)
<b>Net Cash from Operating Activities</b>	<b>153,31,411.59</b>	<b>79,74,584.11</b>
<b>B Cash Flow from Investing Activities</b>		
Additions to Tangible Fixed Assets	(4,00,578.50)	(6,79,786.00)
Fixed Deposit Investment (Net) (Original maturity of more than 3 Months)	(4,07,14,511.74)	(2,50,01,089.68)
Sale of Tangible Fixed Assets	7,500.00	-
Interest Received	1,52,44,269.50	1,55,70,262.10
<b>Net Cash from / (used in) Investing Activities</b>	<b>(2,58,63,320.74)</b>	<b>(1,01,10,613.58)</b>
<b>C Cash Flow from Financing Activities</b>		
Entrance Fees Received	16,80,000.00	27,40,000.00
(Unspent Grant-in-Aid from Government of India refunded) / Unspent Grant-in-Aid received from Government of India (Net)	86,38,000.00	(10,79,000.00)
Finance Costs	(00,34,083.00)	—
<b>Net Cash from / (used in) Financing Activities</b>	<b>102,83,917.00</b>	<b>16,61,000.00</b>
<b>Net Cash Flows during the year (A + B + C)</b>	<b>(2,47,992.15)</b>	<b>(4,75,029.47)</b>
Cash & Cash Equivalents (Opening Balance)	07,81,005.64	12,56,035.11
Cash & Cash Equivalents (Closing Balance)	5,33,013.49	7,81,005.64
<b>Net (Decrease) / Increase in Cash &amp; Cash Equivalents</b>	<b>(2,47,992.15)</b>	<b>(4,75,029.47)</b>

In terms of our report attached.

For and on behalf of the Committee of Administration

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

**SRI NARAIN AGGARWAL**  
Chairman

**RONAK RUGHANI**  
Vice-Chairman

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

**ANIL KUMAR RAJBANSHI**  
Former Chairman

**V. ANIL KUMAR**  
Executive Director Cum Secretary

Place : Mumbai  
Date : 17th June, 2017

Place : Mumbai  
Date : 17th June, 2017

# NOTES

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Note 1 - Reserves and Surplus</b>		
Entrance Fees :		
Balance as at the beginning of the year	1,76,82,750.00	1,49,42,750.00
Add : Received during the year	16,80,000.00	27,40,000.00
Balance as at the end of the year	1,93,62,750.00	1,76,82,750.00
<b>Surplus :</b>		
Balance as at the beginning of the year	18,36,85,300.19	15,17,83,518.15
Add : Profit for the year	3,14,90,181.12	3,19,01,782.04
Less : Transferred to Building Fund	2,00,00,000.00	—
Balance as at the end of the year	19,51,75,481.31	18,36,85,300.19
<b>Building Fund</b>		
Transferred from Surplus	2,00,00,000.00	—
<b>TOTAL -</b>	<b>23,45,38,231.31</b>	<b>20,13,68,050.19</b>
<b>Note 2 - Long-Term Provisions :</b>		
Provision for Leave Encashment	52,30,205.00	42,85,256.00
	52,30,205.00	42,85,256.00
<b>Note 3 - Trade Payables :</b>		
Due to Micro and Small Enterprises	—	—
Due to Creditors other than Micro and Small Enterprises	5,43,447.69	4,82,883.60
<b>TOTAL -</b>	<b>5,43,447.69</b>	<b>4,82,883.60</b>

# NOTES

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Note 4 - Other Current Liabilities :</b>		
Other Payables :		
Liability for Statutory Dues	2,65,019.00	26,304.00
Government Grant-in-Aid received for Re-imbursement to Individual Exporters Carried Forward - [Refer Note 22 (iii)]	1,13,90,632.00	57,70,632.00
Unspent Grant-in-Aid from Government of India (MDA) [Refer Note 22 (ii)]	43,67,000.00	2,48,000.00
Employee Related Liabilities	1,10,000.00	1,76,305.00
Advance Membership Fees Received	80,150.00	19,900.00
Expiry review of Anti Dumping Duty - Turkey (Net Balance) [Refer Note 23]	41,29,917.75	8,89,548.75
Other Liabilities	47,18,179.51	45,68,917.41
<b>TOTAL -</b>	<b>2,50,60,898.26</b>	<b>1,16,99,607.16</b>
<b>Note 5 - Short Term Provisions :</b>		
Provision for Staff Superannuation Scheme	13,44,270.00	64,14,513.00
Provision for Staff Gratuity Scheme	3,83,074.00	71,354.00
Provision for Leave Encashment	69,868.00	61,983.00
<b>TOTAL -</b>	<b>17,97,212.00</b>	<b>65,47,850.00</b>

# NOTES

## Note 6 - Tangible Fixed Assets

Particulars	Buildings	Furnitures, Fixtures & Electrical Fittings	Office Equipments	Motor Car	Computers	Total 31-3-2017	Previous Year 31-3-2016
	₹	₹	₹	₹	₹	₹	₹
<b>GROSS BLOCK :</b>							
Balance as at 1-4-2016	59,55,903.80	71,62,546.27	41,68,443.69	10,25,775.72	<b>59,65,525.15</b>	2,42,78,194.63	2,35,98,408.63
Additions during the year	—	6,412.50	1,38,591.00	—	<b>2,55,575.00</b>	4,00,578.50	679,786.00
Sub-Total	59,55,903.80	71,68,958.77	43,07,034.69	10,25,775.72	<b>62,21,100.15</b>	2,46,78,773.13	2,42,78,194.63
Deductions during the year	—	—	—	—	<b>5,72,250.00</b>	572,250.00	—
Gross Block As At 31-3-2017	59,55,903.80	71,68,958.77	43,07,034.69	10,25,775.72	<b>56,48,850.15</b>	2,41,06,523.13	2,42,78,194.63
<b>DEPRECIATION :</b>							
Provided upto 1-4-2016	27,97,608.02	65,75,863.39	37,47,330.05	4,60,982.24	<b>55,01,065.40</b>	1,90,82,849.10	1,81,59,858.10
Adjusted against Retained Earnings [Refer Note 26]	—	—	—	—	—	—	—
Depreciation provided during the year	1,52,499.00	66,036.00	1,23,660.00	1,76,385.00	<b>3,53,345.00</b>	8,71,925.00	9,22,991.00
Sub-Total	29,50,107.02	66,41,899.39	38,70,990.05	6,37,367.24	<b>58,54,410.40</b>	1,99,54,774.10	1,90,82,849.10
Deductions during the year	—	—	—	—	<b>5,68,280.00</b>	568,280.00	—
Total Depreciation upto 31-3-2017	29,50,107.02	66,41,899.39	38,70,990.05	6,37,367.24	<b>52,86,130.40</b>	1,93,86,494.10	1,90,82,849.10
<b>NET BLOCK as at 31-3-2017</b>	<b>30,05,796.78</b>	<b>5,27,059.38</b>	<b>4,36,044.64</b>	<b>3,88,408.48</b>	<b>3,62,719.75</b>	<b>47,20,029.03</b>	<b>51,95,345.53</b>
As At 31-3-2016	31,58,295.78	5,86,682.88	4,21,113.64	5,64,793.48	4,64,459.75	<b>51,95,345.53</b>	



# NOTES

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Note 7 - Long Term Loans and Advances :</b>		
Unsecured - Considered Good		
Deposits	13,22,135.00	11,74,323.00
Tax Deducted at Source / Income Tax payments	1,25,82,149.15	1,11,74,845.00
	<u>1,39,04,284.15</u>	<u>1,23,49,168.00</u>
<b>Note 8 - Cash and Bank Balances :</b>		
Cash and Cash equivalents		
Cash on Hand	66,969.00	35,795.00
Balances with Banks in Current Accounts	4,66,044.49	7,45,210.64
	<u>5,33,013.49</u>	<u>7,81,005.64</u>
Other Bank Balances :		
Fixed Deposit with Banks	22,46,28,642.67	18,39,14,130.93
(Original Maturity more than 3 Months)		
	<u>22,51,61,656.16</u>	<u>18,46,95,136.57</u>
<b>Note 9 - Short Term Loans and Advances :</b>		
Unsecured - Considered Good		
Other Advances	18,071.00	15,679.50
<b>TOTAL -</b>	<u>18,071.00</u>	<u>15,679.50</u>
<b>Note 10 - Other Current Assets :</b>		
Grant-in-Aid Receivable from Government of India (MAI)	11,01,000.00	—
[Refer Note 22 (I)]		
Prepaid Expenses	73,095.00	1,75,850.66
Advance expenditure for RBSM "Source India", Surat	0.00	1,49,177.00
Other Receivables	8,38,628.92	3,62,748.00
Interest Accrued on Fixed Deposits	4,14,871.00	5,02,182.69
<b>TOTAL -</b>	<u>24,27,594.92</u>	<u>11,89,958.35</u>

# NOTES

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Note 11 - Revenue from Operations</b>		
Membership Subscription	<b>2,78,07,000.00</b>	3,20,46,500.00
Registration cum Membership Fees	<b>1,93,800.00</b>	2,99,100.00
<b>Contribution towards Participation for BSMs &amp; Trade Fairs :</b>		
Expocomer, Panama	<b>15,82,875.00</b>	—
Federal Trade Fair for Apparel & Textiles, Russia	<b>53,13,364.00</b>	—
Intermoda, Guadalajara, Mexico	<b>41,45,000.00</b>	—
Intexpo, Bangladesh	<b>33,80,000.00</b>	—
Intexpo, Ethiopia	<b>16,45,000.00</b>	—
Intexpo, Kenya	<b>16,25,000.00</b>	—
Intexpo, Myanmar	<b>30,90,000.00</b>	—
Intexpo, UAE	<b>30,48,000.00</b>	—
RBSM "Source India" - Surat	<b>1,63,92,592.00</b>	—
Colombo International Yarn & Fabric Show, Sri Lanka	—	23,26,000.00
Intexpo, El Salvador	—	13,40,500.00
Intexpo, Honduras	—	13,40,500.00
Morocco International Fashion, Textile & Accessories Fair, Morocco	—	61,42,000.00
International Shanghai Apparel Fabrics, China	—	31,90,000.00
Intexpo, Egypt	—	45,70,000.00
Texworld, Istanbul, Turkey	—	40,30,600.00
Intexpo, Vietnam	—	43,00,000.00
	<b>4,02,21,831.00</b>	<b>2,72,39,600.00</b>
Collection from Members towards Publication	<b>11,45,700.00</b>	15,54,600.00
Certificate of Origin Issuance & Amendment Charges	<b>78,888.00</b>	94,422.00
SRTEPC Development Fees	<b>5,72,850.00</b>	3,92,250.00
Income from Council's Website (Net)	<b>44,249.00</b>	143,280.00
(Current Year Income Rs.76,000/- Less Expenses Rs.31,751/-)		
(Previous Year Income Rs.2,87,000/- Less Expenses Rs.1,43,720/-)		
Publication of Council's Diary (Net)	<b>2,150.00</b>	20,250.00
(Current Year Income Rs.2,150/-)		
(Previous Year Income Rs.3,57,300/- Less Expenses Rs.3,37,050/-)		
Advertisement in Newsletter (Info SRTEPC)	<b>21,740.00</b>	—
Export Performance Certificates	<b>1,05,000.00</b>	60,220.00
SRTEPC Members Directory-2015 (Net)	<b>68,000.00</b>	1,45,320.00
(Current Year Income Rs.68,000/-)		
(Previous Year Income Rs.6,72,000/- Less Expenses Rs.5,26,680/-)		
<b>TOTAL -</b>	<b>7,02,61,208.00</b>	<b>6,19,95,542.00</b>

# NOTES

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Note 12 - Other Income</b>		
Interest on Fixed Deposits with Banks	1,51,56,957.81	1,56,44,892.54
Interest on Other Deposits	—	16,817.25
Interest on Income Tax Refund	2,05,892.00	—
Credit Balances Written Back	12,22,481.69	3,707.31
Miscellaneous Receipts	34,636.41	29,042.75
Revenue from Export Award Function (Net) (Current Year Income Rs.50,25,000/- Less Expenses Rs.31,20,436.04) (Previous Year Income Rs.68,50,000/- Less Expenses Rs.43,00,685.25)	19,04,563.96	25,49,314.75
Profit on Sale of Fixed Assets	3,530.00	—
<b>TOTAL -</b>	<b>1,85,28,061.87</b>	<b>1,82,43,774.60</b>
<b>Note 13 - Employee Benefit Expense</b>		
Salaries etc.	1,53,68,317.00	1,31,85,445.00
Council's contribution to Staff Provident Fund	14,75,198.00	13,95,379.00
Provision / Contribution to Staff Gratuity Fund	8,10,085.00	4,59,054.00
Staff Welfare Expenses (including Medical Benefits, Leave Travel Concession & Staff Group Insurance Premium)	9,82,707.00	10,37,788.96
Provision / Encashment of Privilege Leave [Refer Note - 21]	9,52,834.00	4,86,755.00
Provision / Contribution paid to LIC for Council's Superannuation Scheme	29,45,399.00	78,68,374.00
<b>TOTAL -</b>	<b>2,25,34,540.00</b>	<b>2,44,32,795.96</b>
<b>Note 14 - Finance Charges</b>		
Other Interest (Interest Paid on Govt. Grant-in-Aid)	1,24,957.00	—
	<b>1,24,957.00</b>	<b>0.00</b>

# NOTES

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Note 15 - Other Expenses</b>		
<b>A. Administrative Expenses</b>		
Rent	1,62,458.64	1,62,458.64
Telephone / Fax Charges	1,89,410.47	1,65,600.21
Electricity Charges	5,84,810.00	6,25,246.25
Printing & Stationery	1,48,937.25	1,51,405.00
Travelling Expenses	14,39,098.73	5,06,199.79
Local Conveyance	77,459.00	53,404.00
Postage, Telegram & Telex Charges	2,09,523.93	2,06,454.01
Staff Motor Car Expenses	1,21,201.17	1,08,245.00
Hospitality Charges	8,675.00	8,782.00
Expenses of Regional Offices	6,20,487.82	5,62,125.20
Miscellaneous Expenses	10,34,773.54	4,21,476.92
Insurance	4,602.00	4,755.00
Legal & Professional Fees (Including Audit Fees)	15,57,018.00	12,49,400.00
Software / Computer Data Processing Expenses	2,46,975.94	2,27,631.11
Repairs & Replacement Expenses	60,631.00	1,02,551.00
Annual General Meeting Expenses	1,03,476.96	82,780.97
Foreign Exchange Gain / (Loss) - (Net)	85,268.90	13,419.09
Training Expenses for Officers & Staff	—	8,550.00
Recruitment Expenses	15,463.00	488.02
Refund of Grant-in-Aid received from Central Government during 2008-09 in respect of Anti Dumping Investigation by Turkey for Man-Made Fibre Spun Yarn	—	8,21,913.00
<b>TOTAL (A) -</b>	<b>66,70,271.35</b>	<b>54,82,885.21</b>
<b>B. Direct Export Promotion Expenses</b>		
<b>Publication Expenses incurred in India :</b>		
For Members	3,92,024.89	8,08,345.69
For Export Promotion	9,11,600.00	—
	<b>13,03,624.89</b>	<b>8,08,345.69</b>
<b>Delegations :</b>		
High Level Textile Delegation to Uzbekistan	—	1,51,213.00
High Level Textile Delegation to Germany & Italy	2,91,810.05	—
	<b>2,91,810.05</b>	<b>1,51,213.00</b>
<b>Others :</b>		
Public Relation Expenses	1,36,774.00	1,45,154.00
Subscription to Publications & Ex-imp Data	47,390.00	77,695.00
Seminars / Workshops / Meetings	6,63,345.94	4,25,407.94
Visit of Foreign Delegations and Buyers Expenses	—	620.00
Membership Fees (Council's)	6,281.00	6,550.00
Advertisement in India	16,800.00	21,800.00
9th India-EU Joint Working Group Meeting, Belgium	2,02,774.00	—
High Level Drawback Committee	1,26,405.20	3,74,253.60
	<b>11,99,770.14</b>	<b>10,51,480.54</b>



# NOTES

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Exhibitions : (Under MAI &amp; MDA Schemes)</b>		
Expocomer, Panama	15,49,727.84	—
Federal Trade Fair for Apparel & Textiles, Russia	79,65,343.14	—
Intermoda, Guadalajara, Mexico	55,97,799.28	—
Intexpo, Bangladesh	36,51,888.59	—
Intexpo, Ethiopia	29,22,200.08	—
Intexpo, Kenya	24,67,190.71	—
Intexpo, Myanmar	28,60,759.40	—
Intexpo, UAE	37,71,815.10	—
RBSM "Source India" - Surat	1,73,99,316.18	—
Colombo International Yarn & Fabric Show, Sri Lanka	—	22,71,052.50
Intexpo, El Salvador	—	12,12,208.49
Intexpo, Honduras	—	11,71,299.40
Morocco International Fashion, Textile & Accessories Fair, Morocco	—	65,30,528.00
International Shanghai Apparel Fabrics, China	—	38,67,623.90
Intexpo, Egypt	—	73,41,939.10
Texworld, Istanbul, Turkey	—	48,76,887.77
Intexpo, Vietnam	—	64,06,961.20
	<b>4,81,86,040.32</b>	<b>3,36,78,500.36</b>
Less : Grant-in-Aid from Central Government (Net) [Refer Note - 22 (i) & (ii)]	<b>2,38,83,850.00</b>	<b>1,82,35,450.00</b>
	<b>2,43,02,190.32</b>	<b>1,54,43,050.36</b>
<b>Exhibitions : (Others)</b>		
Tex Styles India' 2016	—	16,099.80
Vastra 4th International Textile & Apparel Fair, Jaipur	—	28,673.00
	<b>0.00</b>	<b>44,772.80</b>
<b>TOTAL (B) -</b>	<b>2,70,97,395.40</b>	<b>1,74,98,862.39</b>
<b>TOTAL (A + B) -</b>	<b>3,37,67,666.75</b>	<b>2,29,81,747.60</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. The disputed amount of Income Tax liability is ₹ 1,32,89,814/-. 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 has decided in Council's favour the disputed demands amounting to ₹ 3,91,00,111/- for the Assessment Years 2004-05, 2006-07, 2009-10, 2011-12 & 2012-13. The Income-Tax Department has not till date filed appeals in the High Court of Judicature at Mumbai. It is probable that the Income-Tax Department will file appeals against the order of the Income-Tax Appellate Tribunal.

#### Other Matters :

- Claims against the Council for mesne profits ₹ 9,37,25,325/- (Previous Year ₹ 7,78,84,425/-).
- 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.

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

	2016-2017 ₹	2015-2016 ₹
As Auditors	50,000.00	40,000.00
For Taxation Matters	10,000.00	5,000.00
In Other capacity	22,000.00	23,350.00

### Note 19 - Expenses of Regional Offices include Rent ₹ 73,959/- (Previous Year ₹ 54,136/-).

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

	2016-2017 ₹	2015-2016 ₹
Provident Fund (Including for Regional Offices)	14,75,198/-	13,95,379.00

## 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 :

	2016-2017 ₹	2015-2016 ₹
Opening Balance of un-utilised Grant-in-Aid	—	68,83,000.00
Amount received during the year	1,50,70,150.00	49,60,000.00
Add :Grant-in-Aid Receivable	11,01,000.00	—
<b>Total -</b>	<b>1,61,71,150.00</b>	<b>1,18,43,000.00</b>
Less : Amount refunded during the year	—	41,55,950.00
<b>Total -</b>	<b>1,61,71,150.00</b>	<b>41,55,950.00</b>
Amount Transferred to Export Promotion Expenses A/c (A)	<b>1,61,71,150.00</b>	<b>76,87,050.00</b>

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

	2016-2017 ₹	2015-2016 ₹
Opening Balance of un-utilised Grant-in-Aid	2,48,000.00	7,24,000.00
Amount received during the year	1,45,82,000.00	1,07,98,000.00
<b>Total -</b>	<b>1,48,30,000.00</b>	<b>1,15,22,000.00</b>
Less : Amount refunded during the year	27,50,300.00	7,25,600.00
Less : Closing Balance of un-utilised Grant-in-Aid Payable	43,67,000.00	2,48,000.00
<b>Total -</b>	<b>71,17,300.00</b>	<b>9,73,600.00</b>
Amount Transferred to Export Promotion Expenses A/c <b>(B)</b>	77,12,700.00	1,05,48,400.00
Total amount transferred Export Promotion Expenses A/c <b>(A + B)</b>	2,38,83,850.00	1,82,35,450.00

## NOTES

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

	2016-2017 ₹	2015-2016 ₹
Opening Balance (receivable)/payable	57,70,632.00	26,90,632.00
Add : Amount received during the year	1,54,00,000.00	75,00,000.00
<b>Total -</b>	<b>2,11,70,632.00</b>	<b>1,01,90,632.00</b>
Less: Claims of Individual Exporters paid during the year	62,75,000.00	44,20,000.00
Less: Amount Refunded during the year	35,05,000.00	—
<b>Total -</b>	<b>97,80,000.00</b>	<b>44,20,000.00</b>
Closing Balance (receivable)/payable	1,13,90,632.00	57,70,632.00

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

	2016-2017 ₹	2015-2016 ₹
(A) Expenditure incurred upto 31.03.2016 Expenditure incurred during the year	66,10,451.25 37,631.00	66,10,451.25 —
<b>Total Expenditure -</b>	<b>66,48,082.25</b>	<b>66,10,451.25</b>
(B) Collections from affected Members upto 31.03.2016 Government Grant-in-Aid received during the year	75,00,000.00 32,78,000.00	75,00,000.00 —
<b>Total Collections -</b>	<b>1,07,78,000.00</b>	<b>75,00,000.00</b>
(C) Balance carried forward to next year	41,29,917.75	8,89,548.75

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



## NOTES

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

<b>PARTICULARS</b>	<b>2016-2017</b> ₹	<b>2015-2016</b> ₹
Intermoda, Guadalajara, Mexico	50,68,267.00	—
44th Federal Trade Fair "TEXTILEGPROM", Russia	76,55,873.00	—
Colombo International Yarn & Fabric Show, Sri Lanka	—	21,64,497.00
High Level Textile Delegation to Uzbekistan	—	64,326.00
9th India-EU JWG Meeting in Belgium	65,416.00	—
International Shanghai Apparel Fabrics, China	—	37,77,630.00
Expocomer, Panama	13,40,739.00	—
Intexpo, UAE	36,82,263.00	—
Intexpo, Dhaka, Bangladesh	32,95,420.00	—
Intexpo, Egypt	—	71,71,282.00
Intexpo, El Salvador	—	10,37,313.00
Intexpo, Ethiopia	28,52,525.00	—
Intexpo, Honduras	—	10,62,639.00
Intexpo, Myanmar	26,10,929.00	—
Intexpo, Kenya	24,03,895.00	—
Intexpo, Vietnam	—	14,03,862.00
High Level Textile Delegation to Germany & Italy	1,52,040.00	—
Travelling Expenses	51,909.00	—
Morocco International Fashion, Textile & Accessories Fair, Morocco	—	61,26,161.00
Texworld Istanbul, Turkey	—	47,60,891.00
<b>TOTAL -</b>	<b>2,91,79,276.00</b>	<b>2,75,68,601.00</b>

**Note 26** - Leases : The Council has taken on leases Office Premises which are in nature cancelable operating leases. The total rent recognized in the Income & Expenditure A/c is ₹ 2,36,417.64 (Previous Year ₹ 2,16,594.64).

**Note 27** - The Ministry of Corporate Affairs (MCA) in its Notification dated 30th March, 2017 amended Schedule III to the Companies Act, requiring Companies to provide the following disclosure in the financial statements in respect of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016.

# NOTES

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

	SBN,s Denomination Notes	Other	Total
Closing Cash in Hand as on 8th November, 2016	0	24026	24026
(+) Permitted Receipts	0	170386	170386
(-) Permitted Payments	0	122196	122196
(-) Amount Deposited in Banks	0	12505	12505
Closing Cash in Hand as on 30th December, 2016	0	59711	59711

**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 :**

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

**II. Fixed Assets :**

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

**III. Depreciation :**

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

**IV. Treatment of Employee Benefit :**

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

## NOTES

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, 17th June, 2017

**Chairman**

**Vice-Chairman**

**Former Chairman**

**Executive Director Cum Secretary**

NOTES

NOTES TO FINANCIAL STATEMENTS  
ANNEXURE - A

STATEMENT SHOWING THE HEADS OF ACCOUNT UNDER WHICH THE EXPENDITURE HAS BEEN IN EXCESS OF THE BUDGET PROVISION DURING THE YEAR 2016-17

Sr.No.	Heads of Accounts	Sanctioned Budget 2016-2017 ₹	Actual Expenditure 2016-2017 ₹	Excess Expenditure 2016-2017 ₹
1	Travelling Expenses	14,00,000.00	14,39,098.73	39,098.73
2	Miscellaneous Expenses	10,00,000.00	10,34,508.20	34,508.20
	TOTAL -	24,00,000.00	24,73,606.93	73,606.93

(Excess Expenditure comes to ₹ 73,606.93)





# Exhibition Stalls



**VIEW OF STALLS OF MEMBER-EXPORTERS AT VARIOUS EXHIBITIONS / FAIRS OF THE COUNCIL**

**REGISTERED OFFICE :**  
**The Synthetic & Rayon Textiles Export Promotion Council**  
**Resham Bhavan, 78, Veer Nariman Road, Mumbai - 400 020, INDIA**  
**Tel.: 91-22-62318282, 2204 8797, 2204 8690, 2204 0168**  
**Fax : 91-22-2204 8358, 2281 0091**  
**Email : srtepc@srtepc.in • Website : www.srtepc.in**

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**REGIONAL OFFICE :**

**New Delhi :**

Surya Kiran Building, Flat No. 602, 6th Floor,  
19, Kasturba Gandhi Marg, (Cannought Palce)  
New Delhi 110 001.  
Tel.: 011-2373 3090 / 92 • Fax : 011-2373 3091  
Email : delhi@srtepc.in

**Surat :**

Block No. 4DE, 4th Floor,  
Resham Bhavan, Lal Darwaja,  
Surat - 395 003  
Tel.: 0261-2423184 • Fax : 0261-2421756  
Email : surat@srtepc.in

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