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**ANNUAL REPORT**  
2013 - 2014

**srtepc**

THE SYNTHETIC & RAYON TEXTILES EXPORT PROMOTION COUNCIL

# COMMITTEE OF ADMINISTRATION



**Rakesh Mehra**  
Chairman



**Anil Rajbanshi**  
Vice-Chairman

## MEMBERS



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



**Ganesh Kumar Gupta**  
VSH Silk Mills Limited



**Sanjeev Saran**  
Santosh Fine Fab Ltd.



**Ambuj Kasliwal**  
S.Kumars Nationwide Ltd.



**Sri Narain Aggarwal**  
Prafful Exports



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



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



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



**Aziz Valiulla**  
Kausar Textiles



**Gulam Mohamed**  
S. K. Exports



**Satish Agarwal**  
Topman Exports Ltd.



**Punkaj Lath**  
Euro Vistaa  
(India) Ltd.



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



**Ronak Rughani**  
Rughani Brothers



**Vishal Chiripal**  
Chiripal Industries Ltd.



**Manoj Agarwal**  
Shubhalakshmi Polyesters Ltd.



**Dinesh Kumar Modi**  
La-Trendz Fabrica Pvt. Ltd.



**Saitesh Goenka**  
P. D. Impex

## EX-OFFICIO MEMBERS



**Monika S. Garg**  
Joint Secretary (Exports)



**A. B. Joshi**  
Textile Commissioner

# NOTICE

Notice is hereby given that 60th Annual General Meeting of the Council will be held on Friday, 26<sup>th</sup> September, 2014 at 2.30 P.M. in the Panorama Hall, The Ambassador Hotel, Veer Nariman Road, Churchgate, Mumbai 400 020, to transact the following:

1. To receive and adopt the Annual Report of the Committee of Administration for 2013-2014 as required under Article 34.2. of the Articles of Association of the Council.
2. To receive and adopt the Audited Balance Sheet as on 31<sup>st</sup> March 2014 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 at or before 5.30 p.m. on Friday, 19th September, 2014.**

3. To elect a member to the Committee of Administration in place of Shri Satish Agarwal (Manufacturer) who retires by rotation and is eligible for re-election.
4. To elect a member to the Committee of Administration in place of Shri Vishal Chiripal (Manufacturer) who retires by rotation and is eligible for re-election.
5. To elect a member to the Committee of Administration in place of Shri 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 Vinod K. Ladia (Status Holder) who retires by rotation and is eligible for re-election.
7. To elect a member to the Committee of Administration in place of Shri M. L. Jhunjhunwala (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 Ahmed Shaikh (Merchant Exporter) who retires by rotation and is eligible for re-election.
9. To appoint Auditors from the conclusion of the meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Committee of Administration

Sd/-  
V. ANIL KUMAR  
EXECUTIVE DIRECTOR

Registered Office:  
'Resham Bhavan'  
78, Veer Nariman Road  
Mumbai 400 020  
Dated: 5<sup>th</sup> August, 2014

# EXPORT PERFORMANCE

Exports of Indian Synthetic and Rayon MMF textile during 2013-14 were US\$ 6160.48 Million against US\$ 5249.30 Million during 2012-13 showing a growth of nearly 17%.

Value in USD Mn

	April-March 2013-14	April-March 2012-13	Grw/decline (%)
Fabrics	2212.72	1890.93	17.02
Yarn	2039.25	1836.54	11.04
Made-ups	1310.72	1041.37	25.86
Fibre	597.79	480.47	24.42
<b>Total</b>	<b>6160.48</b>	<b>5249.30</b>	<b>17.36</b>

Source: DGCI&S

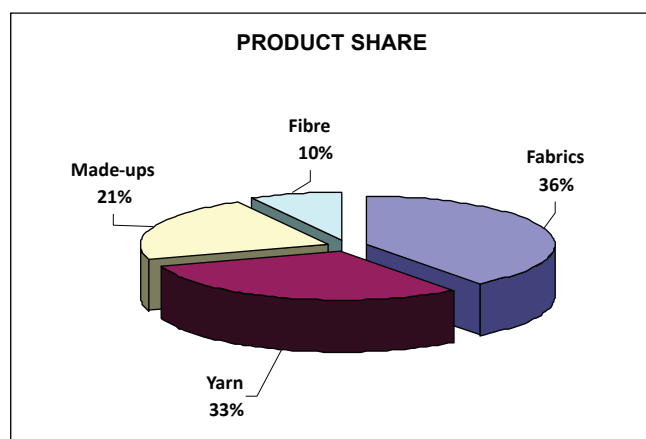
## HIGHLIGHTS

- Exports have witnessed a growth of 17% in April-March 2013-2014 as compared to the same month of the previous year.
- Exports were directed to 146 countries during 2013-14.
- Fabrics dominated the total exports with 36% share followed by Yarn 33%, Made-ups 21% and Fibre 10%.
- The value-added products like fabrics and made-ups were the main export items, accounting for 57% share.
- All segments of exports of Indian MMF textiles recorded growth during the year.
- Exports of Made-ups witnessed 26% growth followed by Fabrics 17%, Yarn nearly 11% and Fibres export 24% as compared to April-March 2012-2013.
- Polyester Filament Fabrics (USD 789.48 Mn) was the leading fabric exported during 2013-14 followed by Synthetic Filament Fabrics (USD 450.16 Mn) and Polyester Viscose Fabrics (USD 327.92 Mn)
- In case of yarn export, Polyester Filament Yarn was leading item with exports of USD 1033.41 Mn followed by Polyester Cotton Yarn with USD 170.84 Mn.
- In Made-ups, exports of Muffler, Shawls/Scarves were the leading items with USD 212.01 Mn and USD 134.91 Mn respectively.

- Exports to the sophisticated and quality conscious EU region have increased to 28% compared to 20% in the previous year.
- UAE has emerged as the leading market for Indian MMF textiles exports.
- Turkey has emerged as the 2<sup>nd</sup> largest market.
- Neighbouring market Bangladesh has emerged as the 5<sup>th</sup> largest market.
- Other major markets during April-March 2013-14 were U.S.A., Brazil, Bangladesh, Afghanistan, U.K., Germany, Egypt, Iran, Pakistan, etc.

## PRODUCT SHARE

During April-March 2013-14, exports of Fabrics dominated in the total exports with 36% share, followed



## FABRICS

Export of Polyester Filament Fabrics dominated with a share of 36%. The major items of exports in this segment were Saree, Shirting, Suiting, Narrow woven Fabrics, Tyre cord fabrics, Parachute Fabrics and Umbrella Cloth. It is heartening to note that exports of fabrics like Acrylic Spun Fabrics and Synthetic Cotton Fabrics have registered significant growth of 96% and 89% respectively.



## EXPORT PERFORMANCE

Value in US\$ MN

FABRICS (Woven+ non-woven+knitted)	2013-2014	2012-2013	Net Change	% Change
Polyester Filament	789.48	697.46	92.02	13.19
Synthetic Filament	450.16	315.31	134.85	42.77
Polyester Viscose	327.92	298.96	28.96	9.69
Polyester Blended	146.80	127.19	19.61	15.42
Polyester Spun	58.23	54.20	4.03	7.44
Polyester Cotton	45.28	41.87	3.41	8.14
Synthetic Cotton	93.62	9.43	44.19	89.40
Polyester Wool	50.90	49.13	1.77	3.60
Nylon Filament	18.85	17.86	0.99	5.54
Synthetic Blended	11.24	9.09	2.15	23.65
Viscose Blended	30.56	25.59	4.97	19.42
Artificial Filament	10.34	8.49	1.85	21.79
Viscose Spun	19.89	16.29	3.60	22.10
Acrylic Spun	25.52	13.03	12.49	95.86
* Others Fabrics	133.93	166.46	-32.53	-19.54
<b>Fabrics Total</b>	<b>2212.72</b>	<b>1890.34</b>	<b>322.38</b>	<b>17.05</b>

\*Other fabrics include Nylon Filament fabrics, Synthetic Blended fabrics, Viscose Spun, Viscose Cotton fabrics etc.

### YARN

In the yarn segment, there is a growth of nearly 11% during 2013-14. Polyester Filament yarn continues to be the main export item with exports of USD 1033.41 Mn. followed by Polyester-Cotton Yarn at USD 170.84 Mn, Polyester-Viscose USD 191.20 Mn. Exports of Polyester-Viscose yarn had witnessed significant growth of 51%. Export of Viscose-Cotton Yarn witnessed excellent growth of 245% followed by Acrylic-Cotton 142%, Polyester Spun Yarn 51% and Acrylic Spun Yarn 76% etc.

Value in US\$ MN

YARN	2013-2014	2012-2013	Net Change	% Change
Polyester Filament	1033.41	1088.15	-54.74	-5.03
Polyester Cotton	170.84	171.78	-0.94	-0.55
Polyester Viscose	191.20	126.76	64.44	50.84
Polyester Spun	139.28	90.56	48.72	53.80
Viscose Spun	92.90	107.83	-14.93	-13.85
Viscose Filament	88.12	58.77	29.35	49.94
Acrylic Spun	59.34	33.61	25.73	76.55
Synthetic Spun	55.04	36.86	18.18	49.32
Artificial Spun	38.23	21.42	16.81	78.48
Polyester Wool	33.09	18.38	14.71	80.03
Nylon Filament	25.40	21.18	4.22	19.92
Viscose Cotton	25.28	7.32	17.96	245.36
Acrylic Cotton	28.60	11.79	16.81	142.58
*Other Yarn	58.52	42.15	16.37	38.84
<b>Yarn Total</b>	<b>2039.25</b>	<b>1836.54</b>	<b>202.71</b>	<b>11.04</b>

\*Other Yarn includes Nylon Spun Yarn, Viscose Cotton yarn, Artificial Cotton Yarn, etc.

### MADE-UPS

Export of Indian MMF Made-ups witnessed a growth of nearly 26% during 2013-14 as compared to the previous year. Main made-ups items with significant growth were Motifs 247%, Blanket 94%, Muffler 45%, Rope 39%, shawls/scarves 12%, etc.

Value in US\$ MN

MADE-UP	2013-2014	2012-2013	Net Change	% Change
Bulk Containers *	343.28	285.84	57.44	20.10
Muffler	212.01	146.16	65.85	45.05
Shawls/Scarves	134.91	120.31	14.60	12.14
Motifs	84.25	24.26	59.99	247.28
Blanket	47.49	24.49	23.00	93.92
Dress Material	41.01	39.74	1.27	3.20
Bedsheet	40.70	37.5	3.20	8.53
Bed Linen	39.01	33.22	5.79	17.43
Fishing Net	26.85	30.89	-4.04	-13.08
Rope	25.11	18.02	7.09	39.35
Dish-cloths/Dusters	22.03	30.51	-8.48	-27.79
Other Made-ups **	294.05	250.43	43.62	17.42
<b>Made-ups Total</b>	<b>1310.70</b>	<b>1041.36</b>	<b>269.34</b>	<b>25.86</b>

## EXPORT PERFORMANCE

\*Flexible Intermediate Bulk Container (HS Code 63053200)/big bag/bulk bag or Super Sack is a standardized container in large dimensions for storing and transporting dry, flowable products, for example sand, fertilizers and granules of plastics, most often made of thick woven polyethylene or polypropylene, either coated or uncoated. \*\*Other Made-ups include Tents, Sails, Rags, Embroidery (without visible ground) & Accessories.

### FIBRE

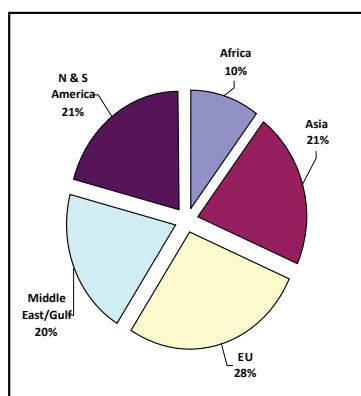
Exports of Fibre witnessed 24% growth during 2013-14 as compared to that of last year. However, exports of Polyester Staple Fibre dominant fibre in total export have witnessed 28% growth. Export of Acrylic Filament Fibre showed negative growth of 35% whereas Acrylic Staple Fibre recorded excellent growth of 389%.

Value in US\$ MN

FIBRE	2013-2014	2012-2013	Net Change	% Change
Polyester Staple	315.44	247.05	68.39	27.68
Viscose Staple	198.15	192.59	5.56	2.89
Acrylic Staple	34.50	7.05	27.45	389.36
Acrylic Filament	3.44	5.32	-1.88	-35.34
Other Fibre	46.15	28.46	17.69	62.16
<b>Total Fibre</b>	<b>597.68</b>	<b>480.47</b>	<b>117.21</b>	<b>24.39</b>

### DIRECTION OF TRADE

Exports of Man-made Fibre Textiles from India were directed to 146 countries during 2013-14. The sophisticated European Union emerged as the leading destination for India's MMF textile exports with a share of 28%, followed by far flung North & South America 21% and neighboring Asia 21%, Middle East/Gulf 20% and Africa 10%. It may be noted that during 2013-14 exports of Indian MMF textiles to the EU region have gone up to 28% from 20% witnessed in the previous year. However, during 2013-14 exports to Middle East/Gulf have declined to 20% from 24% in the previous year.



### LEADING MARKETS

The leading market for India's MMF textile exports during 2013-14 was U.A.E. with an export of US\$ 588.07 Mn. Other leading markets during the year 2013-14 were Turkey, U.S.A., Brazil, Bangladesh, Afghanistan, U.K., Germany, Egypt, Iran, Pakistan, etc.

Value in US\$ MN

Markets	April-Mar 2013-14	April-Mar 2012-13	Net Change	% Change
U.A.E.	588.07	475.30	112.77	23.73
Turkey	559.87	466.43	93.44	20.03
U.S.A.	456.89	377.63	79.26	20.99
Brazil	324.88	284.31	40.56	14.27
Bangladesh	237.20	173.91	63.30	36.40
Afghanistan	196.16	146.60	49.56	33.81
U.K.	189.49	166.06	23.44	14.11
Germany	179.36	171.37	7.99	4.66
Egypt/U.A.R.	167.21	219.56	-52.35	-23.84
Iran	156.79	89.07	67.72	76.03
Pakistan	45.76	162.58	-16.82	-10.34
Sri Lanka	136.97	116.04	20.93	18.04
Italy	132.12	114.86	17.26	15.03
Belgium	122.47	104.89	17.58	16.76
Spain	117.73	92.06	25.67	27.88
Malaysia	94.73	88.00	6.73	7.65
Vietnam	93.37	64.46	28.92	44.86
Nigeria	91.67	51.95	39.72	76.46
Morocco	86.51	88.73	-2.22	-2.50
Mexico	86.34	86.57	-0.23	-0.26
Saudi Arabia	80.65	124.38	-43.73	-35.16

Exports of Indian MMF textiles have witnessed decline in major markets like Egypt and Pakistan. The main reasons for decline in our exports to Egypt may be due to the political crisis that occurred and continued in Egypt during 2013-14 and its consequent adverse impact on trade and business. Exports to Pakistan have also been affected due to continued political and civil crisis in Pakistan. Moreover, unresolved trade issues/relations between Indian and Pakistan have adversely impacted exports from India.

### MEMBERSHIP

The Council had 3858 members as on 31<sup>st</sup> March 2014.

# MEETINGS

## Committee of Administration

Meetings of the Committee of Administration of the Council were held at regular intervals during the year 2013-14. Trends in exports of synthetic and rayon textiles were consistently reviewed and analysed during the Meetings. Appropriate remedial actions were taken to keep up sustained growth in exports. The Committee also deliberated on various policy matters and came up with suggestions and proposals for removing constraints faced by the exporters. The Committee also examined Expiry Review by Turkey on Anti-dumping Duty on imports of yarn of man-made or artificial staple fibres from India. In this regard Committee decided to request Ministry to take up the matter bilaterally with the Authorities of the concerned countries to withdraw Anti-dumping Duty including appointing of consultants in consultation with members concerned. Effective export promotion programmes were also planned, which were instrumental in achieving the export-target during the year. The efficient functioning of the Council and the success of its promotional activities can be attributed to the keen interest, timely advice and constant guidance of the members of the Committee of Administration.

## Board of Trade Meeting

Chairman attended the Board of Trade (BOT) Meeting chaired by the then Hon'ble Union Minister of Commerce & Industry, Shri Anand Sharma in New Delhi on August 27, 2013. The Chairman briefed the Minister about the exports of Indian MMF textiles items, and put forth various suggestions of the Council which included – Reinstatement of Central Excise Rule 12-B for Merchant Exporters, Reduction in Excise Duty on Man-Made Fibre's from existing 12% to 4%, Interest rates to be capped at 7% for exporters, Manmade fibre textiles to be included under Special Focus Initiatives to promote exports from MMF Textile Sector, Need of acceleration in modernization and capacity building in Fabrics, processing & Technical Textiles under TUF Scheme, Entitlement of Benefits under Chapter 3 where at least two of the schemes from (FPS/FMS/ MLFPS) may be allowed against a particular Shipping Bill, Expansion of the Focus Market Scheme to high potential markets, Expansion of the Focus Product Scheme, wherein it was suggested to include all MMF Textile Fabrics & Made-ups falling under Chapter 54, 55 & 63 under the Focus Product Scheme instead of limiting to select HS codes, 2% Bonus FPS Benefit on exports of all MMF Textiles, Expansion of Incremental Exports Incentivisation Scheme (IEIS) from 2% to 5% and Scheme to be extended to all countries (instead of restricting it to USA, EU and Asia), increase in Funds for promotional schemes under MDA scheme and financial assistance

for litigation to defend Anti-dumping cases against Indian exports under the MAI scheme and SEZ Guidelines on Transfer of Goods to DTA, etc.

## Meeting with the then Hon'ble Finance Minister

Chairman attended FIEO's Interactive Meeting with the then Finance Minister, Shri P. Chidambaram on 27<sup>th</sup> September 2013 in Mumbai and issues related to Excise duty reduction, reinstatement of Rule 12-B, interest rates and Duty Drawback, etc. were taken up at the Meeting.

## Meetings with the former Hon'ble Union Minister of Textiles

The then Hon'ble Union Minister of Textiles, Shri Kavuru Sambasiva Rao visited Mumbai and had Interactive Meetings with the Textile Export Promotion Councils/Associations on 24<sup>th</sup> June 2013 in Mumbai. During the Meeting, on behalf of the Council, Shri Vinod K. Ladia, immediate past Chairman made a presentation, former Chairmen, members of the Committee of Administration of the Council were also present on the occasion and interacted with the Hon'ble Minister. The thrust of the presentation was on the export trends of MMF textiles, plummeting exports, factors responsible for the decline and suggestions to revive exports, etc.

Shri Vinod Kumar Ladia, Immediate past Chairman had Meetings with Dr. Kavuru Sambasiva Rao, Hon'ble Union Minister of Textiles; Smt. Zohra Chatterji, Secretary Textiles; Ms. Sunaina Tomar, Joint Secretary and Shri V. Srinivas, Joint Secretary Exports on 2<sup>nd</sup> July 2013 to discuss matters concerning exports of man-made fibre textiles that fall under the purview of the Council.

The Chairman attended a Meeting chaired by the then Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao on 11<sup>th</sup> December 2013 in New Delhi. Smt. Zohra Chatterji, Secretary Textiles and Ms. Monika Garg, Joint Secretary (Exports) were also present at the Meeting. The Meeting was called in connection with the request of AEPC for 5% duty scrip on import of speciality fabrics into India. The Meeting was attended by all the stake holders like CITI, NITMA, etc. During the Meeting issues such as 5% duty scrip on import of speciality fabrics, reduction in import duty on synthetic fabrics from 10% to 5%, increase in duty drawback for synthetic garment exporters and cash incentives for synthetic garment exporters were discussed.

The Chairman attended a one-to-one meeting with the then Hon'ble Minister of Textiles, Dr. Kavuru Sambasiva Rao on 11<sup>th</sup> November 2013 and discussed AEPC

## MEETINGS

proposal for issuance of 5% duty credit scrip and TUF subsidy.

Vice-Chairman attended a Meeting, chaired by the then Hon'ble Union Minister of Textiles, on 16<sup>th</sup> January 2014 in New Delhi. The Meeting was called to discuss Budget Proposals in respect of Ministry of Textiles for the year 2014-15.

### **Interactive Meeting with the former Hon'ble Union Minister of Textiles in Surat**

The then Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao visited Surat and on the occasion an Interactive Meeting with leading members of the Council and textile Associations was organized at Surat on 5<sup>th</sup> July 2013. The Hon'ble Minister was accompanied by Ms. Sunaina Tomar, Joint Secretary and Shri A. B. Joshi, the then Textile Commissioner. Those present at the Interactive Meeting included Shri Rakesh Mehra, Chairman, SRTEPC, stalwarts of textile industry/associations, member-exporters of the Council representatives of textile industry and media persons. Addressing the gathering, the then Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao, assured that the procedures would be simplified and if there is a need for change in policy he would take up the matter with the concerned Ministries and do the needful. He advised that such schemes must be used for proper development of the textile industry. The Hon'ble Minister also assured his wholehearted support to the textile industry.

### **Parliamentary Consultative Committee Meeting**

Chairman attended the briefing for the Meeting of the Parliamentary Consultative Committee of the Ministry of Textiles on Textiles Exports, on 8<sup>th</sup> July 2013. The Meeting was chaired by Dr. Kavuru Sambasiva Rao, the then Hon'ble Minister for Textiles in New Delhi. Chairman briefed the Hon'ble Minister about the Indian man-made fibre textile industry and exports. Chairman, SRTEPC further attended the Meeting on 10<sup>th</sup> July 2013 and briefed about the exports of MMF textiles.

### **Meeting with the members of the High Level Drawback Committee**

The Council made a presentation before the High Level Drawback Committee - consisting of Dr. Saumitra Chaudhuri, Member, Planning Commission & Chairman of the Drawback Committee, Shri S. B. Mohapatra, Member of the Drawback Committee, Shri Gautam Ray, Member of the Drawback Committee and Shri Rajiv Talwar, Joint Secretary (Drawback) on 2<sup>nd</sup> May 2013 at the Malabar Room, Hotel Trident, Mumbai. The

Chairman emphasized the need for enhancement in the Drawback rates for all synthetic textile items. The Chairman also stressed that suitable increase in the Drawback rates was crucial to the growth of exports of synthetic textile items, which have huge potential for production and exports. During the Presentation, detailed calculations on DBK were presented for various product-lines such as, polyester viscose yarn, polyester spun yarn, polyester filament yarn, polyester staple fibre, viscose staple fibre, polyester filament fabrics, polyester viscose fabrics, non woven fabrics, made-ups, etc. with justification for an increase in the existing Drawback rates for all the MMF products. Council further submitted proposals for additional items of MMF textiles for fixing drawback rates with necessary supporting documents which was agreed by DBK Committee.

### **Meeting with Revenue Secretary**

Chairman and Shri S. K. Khandelwa, Member of the Committee of Administration attended the Meeting with Shri Sumit Bose, Revenue Secretary on 18<sup>th</sup> April 2013 in New Delhi. Various issues such as current export scenario of Indian MMF textiles, reduction of excise duty on man-made fibre and yarns, Drawback rates and Income Tax claims, etc. were discussed during the Meeting.

### **Meetings with Commerce Secretary**

Chairman had a Meeting with Shri S. R. Rao, the then Commerce Secretary, Ministry of Commerce & Industry, on 26<sup>th</sup> July 2013 in New Delhi. During the Meeting various matters were discussed including Chapter 3 benefits, Anti dumping duties imposed by Brazil and Turkey, SEZs, etc.

Chairman attended a Meeting called by FIEO on 27<sup>th</sup> July 2013 in New Delhi which was chaired by Shri S. R. Rao, the then Commerce Secretary, Ministry of Commerce & Industry. The Meeting was called to deliberate on strategy to boost exports. During the Meeting various issues like TUFs Scheme, high rate of interest, shipping matters, etc. were discussed.

Former Chairman, Shri G.K Gupta and Shri Satish Agarwal (Committee Member) attended an Interactive Meeting with Commerce Secretary and DGFT which was organized by FIEO on 31<sup>st</sup> August 2013 and put forth Council's suggestions. Shri G.K. Gupta expressed his views on the current recessionary scenario in MMF industry and also requested for Government support on issues like Rule 12 B re-instatement, Excise Duty reduction, Cheaper lending for exports and other points pertaining to FTP.



## MEETINGS

Chairman had a meeting with Shri S.R.Rao, the then Commerce Secretary, MOC on 8<sup>th</sup> November 2013 and discussed about the negative impact of AEPC's proposal on our exports for issuance of 5% duty credit scrip on import of specialized fabrics

The Chairman of the Council attended a Meeting chaired by Shri Rajeev Kher, Commerce Secretary on 20<sup>th</sup> February 2014 in New Delhi. The Meeting was called to discuss matters regarding measures to increase exports during the financial year and achieve the export target. During the Meeting suggestions/views were sought from various stake holders for the Foreign Trade Policy 2014-19. Chairman also put forth the Council's suggestions/views during the Meeting.

### Meetings with Secretary (Textiles)

The Chairman, Shri Rakesh Mehra held periodic Meetings with the Secretary (Textiles), Smt. Zohra Chatterji and apprised her about the exports of man-made fibre textiles and problems being faced by the exporters in their export-activity.

During his visit to Delhi on 8<sup>th</sup> July 2013, the Chairman met Smt. Zohra Chatterji, Secretary Textiles to apprise her about the export trends of Man-made fibre Textile Industry, and suggested urgent measures to sustain export.

Chairman met Ms. Zohra Chatterji, Secretary, Ministry of Textiles, on 26<sup>th</sup> July 2013, in New Delhi to discuss matters relating to High Level Textile Delegation to Japan and on organizing exclusive Exhibition in Japan.

Chairman had a Meeting with the Secretary Textiles on 8<sup>th</sup> November, 2013 and discussed matters concerning Anti-dumping duties imposed by Turkey on Indian exports and AEPC proposal for issuance of 5% duty credit scrip on import of specialized fabrics.

Chairman attended the First meeting of the Steering Committee on "TECHNOTEX 2014" held in New Delhi on 31<sup>st</sup> July 2013. The Meeting was chaired by Secretary (Textiles), Ministry of Textiles to formulate a strategy for organizing the Mega Show Event.

Chairman met Smt. Zohra Chatterji, Secretary Textiles and senior officials of the Ministry of Commerce on 22<sup>nd</sup> January 2014 to brief them about Sunset Review, initiated by Turkey to take up the issue with the Turkish Minister of Economy, who visited New Delhi during 30<sup>th</sup>—31<sup>st</sup> January 2014 in connection with the 10th session of the India-Turkey, Joint Committee on Economic and

Technical Co-operation (JCETC).

The Chairman met Smt. Zohra Chatterji, Secretary Textiles on 20<sup>th</sup> February 2014 in New Delhi to discuss various issues relating to Export Policy matters concerning to the Council.

### Meetings with Joint Secretary (Exports)

The Council organized a Meeting with Shri V. Srinivas, the then Joint Secretary (Exports) Ministry of Textiles on 16<sup>th</sup> April, 2013 at the office of the Council. The Chairman made a presentation on the export-scenario of MMF textiles, suggestions for FTP, Duty Drawback Proposals for 2013-14, INTExPO Iran, MDA/MAI Proposals, etc.

Chairman met Shri V. Srinivas, the then Joint Secretary, (Exports) and Ms. Sunaina Tomar, Joint Secretary on 31<sup>st</sup> July 2013, in New Delhi to discuss matters concerning exports of man-made fibre textiles and TUF Scheme. The Chairman also met Shri Rajeev Kher, Additional Secretary, Ministry of Commerce & Industry regarding anti-dumping matters.

A Meeting with Ms. Monika Garg, Joint Secretary (Exports) was held in the Council on 25<sup>th</sup> October, 2013 with Committee Members and select exporters to discuss matters relating export trends, road-map for achieving the target for exports of MMF Textiles, proposal of AEPC for grant of 5% duty credit scrip for import of specialty fabrics by garment manufacturers. The Council also made other suggestions to boost exports, which included - lending for export-activities at 7% interest rate, re-instatement of Central Excise Rule 12-B for merchant export, Chapter 3 benefits, Anti-dumping duties, grant of MFN status to India by Pakistan, better market access to Indian MMF textiles in China, exports to Bangladesh, etc.

The Chairman met Ms. Monika Garg, JS (Exports) and Smt. Pushpa Subramanyam, Joint Secretary, Ministry of Textiles, on 11<sup>th</sup> November 2013 in connection with AEPC proposal for issuance of 5% duty credit scrip and import of specialized fabrics.

The Vice-Chairman of the Council attended a Meeting chaired by Ms. Monika Garg, Joint Secretary (Exports) on 7<sup>th</sup> February 2014 in New Delhi. The Meeting was also in connection with the proposal of AEPC for 5% Duty Credit Scrip for import of speciality fabrics. During the Meeting, the Council pointed out and made it clear that fabrics sought to be imported by AEPC are manufactured in India and available locally.

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Chairman attended a Meeting on Foreign Trade Policy and Budget Proposals chaired by Ms. Monika Garg, Joint Director (Exports) on 11<sup>th</sup> December 2013 in New Delhi. The topics discussed at the Meeting were policy changes to be suggested for the New Foreign Trade Policy (2014-19), Budget Proposals in respect of Ministry of Textiles for the year 2014-15, views on Focus Product Scheme and Product Specific Focus Market Scheme.

Chairman attended the Meeting chaired by Joint Secretary (Exports) on 11<sup>th</sup> December 2013 in New Delhi. The Meeting was called to discuss the follow up action to be undertaken with regard to textile exports and trade related issues brought to the notice of the Delegation, which was led by the then Hon'ble Minister of Textiles, visited Japan during 24-26 November 2013.

Chairman attended a Meeting chaired by Ms. Monika Garg, Joint Secretary (Exports) on 15<sup>th</sup> January 2014 in New Delhi. During the Meeting, issues relating to the Policy changes, which were likely to be recommended for the New Foreign Trade Policy (2014-19) and views on Focus Product Scheme and Product Specific Focus Market Scheme were discussed.

The then Acting Executive Director attended a Meeting of the Steering Committee for Tex Trends 2014 on 24<sup>th</sup> December 2013 in New Delhi, which was chaired by Ms. Monika Garg, Joint Secretary (Exports). During the Meeting various matters pertaining to Tex Trends 2014 held in New Delhi during 20-22 January 2014 were discussed.

Representative of the Council had a Meeting with Ms. Monika Garg, Joint Secretary (Exports) on February 18, 2014 in connection with the Expiry Review initiated by Turkey related to Anti-dumping duties on Synthetic Spun yarns from India. During the Meeting, the Council's strategy to defend expiry review investigation initiated by Turkey was discussed. The Joint Secretary noted the steps taken by the Council regarding appointment of common lawyers both in India and Turkey in this connection.

The Chairman, SRTEPC had a Meeting with Ms. Monika Garg, Joint Secretary (Exports) on 20<sup>th</sup> February 2014 in New Delhi to discuss impact of the withdrawal of GSP and GSP Plus benefits by EU on exports of MMF textiles.

### Meetings with the DGFT

The Chairman held Meetings with the DGFT and the Jt. DGFT to apprise them on the emerging export trends and remedial measures needed in the policy to boost exports of Indian Man-made fibre textiles.

Chairman met Dr. Anup K Pujari, the then Director General of Foreign Trade on 9<sup>th</sup> July & 31<sup>st</sup> July 2013 in New Delhi to apprise him about export trends of Indian MMF textiles and the remedial measures needed to boost exports of MMF textiles including Chapter 3 benefits.

The Chairman had a meeting with Dr. Anup Pujari, the then Director General of Foreign Trade on 8<sup>th</sup> November 2013 and discussed AEPC proposal for issuance of 5% duty credit scrip and import of specialized fabrics. He also met Shri Hardeep Singh, Jt. DGFT to discuss policy matters.

### Meetings for Foreign Trade Policy 2009-14

Chairman attended Meeting in connection with announcement of the "Annual Supplement 2013-14 to the Foreign Trade Policy 2009-2014" at Vigyan Bhavan, New Delhi on 18<sup>th</sup> April 2013. The Supplement was released by the then Hon'ble Union Minister of Commerce, Industry & Textiles, Shri Anand Sharma. Shri S. R. Rao, the then Commerce Secretary, Shri Sumit Bose, Revenue Secretary, Dr. Anup Pujari, the then DGFT, Chairmen of various Chambers & EPCs also attended the Meeting. During the Meeting, various incentives were announced to boost export of Indian MMF textiles.

### Meeting on Textile Policy

Immediate past Chairman Shri Vinod K. Ladia & Vice Chairman Shri Anil Rajvanshi, attended the First Meeting of the Expert Committee for formulating the New National Textile Policy under the Chairmanship of Shri Ajay Shankar, Member Secretary, National Manufacturing Competitiveness Council (NMCC) on 2<sup>nd</sup> July 2013. During the meeting various matter regarding importance of Indian Textile Industry and the pivotal social role played by the industry, image building of the Indian Textile Industry, Measures to be undertaken to improve the manufacturing capabilities in the Textile Industry including capacity expansion, quality upgradation, Research and Development, skill development etc. were discussed.

Chairman attended the 9<sup>th</sup> Meeting of the Expert Committee on New Textile Policy on 21<sup>st</sup> January 2014 in New Delhi under the Chairmanship of Shri Ajay Shankar, Member Secretary, NMCC. The Meeting was called for reviewing the Textile Policy 2000 and formulating the new National Textile Policy.

### MDA/MAI Meetings

The then Acting Executive Director attended a Meeting called by Shri V. Srinivas, the then Joint Secretary (Exports) in New Delhi on 17<sup>th</sup> June 2013. Council's promotional

## MEETINGS

programme for the year 2013-14 was approved at the Meeting. During the Meeting the Council also presented its proposals under MDA/MAI for 2014-15. During the Meeting the Council discussed the possibility to invite a Delegation from Iran for Tex Trends India. The same was agreed by the Joint Secretary

### Meeting on Standards of Technical Textiles

The then Acting Executive Director attended the Meeting of Steering Committee on TECHNOTEX held on 25<sup>th</sup> February 2014. Smt. Zohra Chatterji, Secretary (Textiles) presided over the Meeting. Shri Sujit Gulati, Joint Secretary and Shri A. B. Joshi, the then Textile Commissioner were also present at the Meeting. During the Meeting various matters pertaining to TECHNOTEX which was organized by FICCI jointly with the Ministry of Textiles in Mumbai during 20-22 March 2014 were discussed.

### Other Meetings

Chairman attended the Export Facilitation Committee Meeting held at the Office of the Zonal Addl. DGFT, Mumbai on 16<sup>th</sup> July 2013. The Council forwarded various issues related to DGFT and Customs as Agenda points for the meeting, which included - Installation Certificate under EPCG, Requirement for Registration certificate for yarn samples export, Duty Exemptions after DFIA Transferability, HS codes visibility for Chapter applications, eBRC requirement for Chapter 3 applications, etc.

Chairman had a Meeting with Shri Rajeev Arora, Joint Secretary, Ministry of Commerce & Industry, on 26<sup>th</sup> July 2013 in New Delhi to discuss matters relating to SEZs/EoU. On the occasion the Chairman also met Shri Sanjeet Singh, Director, Ministry of Commerce & Industry.

Chairman also met Shri Tapan Majumdar, Director, Ministry of Commerce on 26<sup>th</sup> July 2013 in New Delhi to discuss matters regarding Anti-dumping duties imposed by Brazil and Turkey.

The then Acting Executive Director and some member exporters attended the Meeting chaired by Shri Sumanta Chaudhary, Joint Secretary, Ministry of Commerce and Industry on 21<sup>st</sup> August 2013 to discuss matters relating to Anti-dumping duties imposed by Brazil. During the Meeting it was decided that Indian exporters may give a price undertaking that they will not export to Brazil below an agreed price. Representations were sent to the Brazilian Government detailing the history of the Anti-dumping Investigation, pointing out the inconsistencies and irregularities in the investigation

and requesting diplomatic intervention to abolish the Anti-dumping duties.

The Chairman held various Meetings with Smt. Sunaina Tomar, Joint Secretary to the Govt. of India Ministry of Textiles to discuss matters relating to issues regarding to anti-dumping duties, Chapter 3 benefits, TUF, etc.

The Chairman attended a Meeting with the Chinese Delegation, CNTAC at New Delhi on November 11<sup>th</sup>, 2013 held under the Chairmanship of Hon'ble Minister of Textiles. The Chairman also attended an Interactive Meeting with the Chinese Delegation on November 13, 2013 at Hotel Trident in Mumbai, which was led by Mr. Duan Xiaoping, Chairman- China Chemical Fiber Association.

The Chairman met Shri Tapan Mazumdar, Director (Foreign Trade), Ministry of Commerce & Industry on 11<sup>th</sup> November 2013 to discuss Anti-dumping Duty on MMF textiles by Turkey

The Chairman met Shri Rajeev Talwar, Jt. Secretary (Drawback), Dept. of Revenue and Shri Vinod K. Agarwal, Technical Officer (Drawback) on 9<sup>th</sup> July 2013 & 11<sup>th</sup> November 2013 regarding reinstatement of Drawback rates.

Chairman had a Meeting with Shri Ramtirth, Director General, CBEC, Ministry of Finance; Shri P. K. Mohanty, Joint Secretary (TRU), Ministry of Finance; Shri Sanjeet Singh, Director, SEZ and Ms. Monika Garg, Joint Secretary (Exports) on 3<sup>rd</sup> December 2013 in New Delhi to discuss matters concerning the Council.

Chairman attended a Meeting chaired by Shri Sumanta Choudhary, Joint Secretary, Ministry of Commerce in New Delhi on 3<sup>rd</sup> January 2014. The Meeting was called to deliberate on the modalities regarding phasing out the Export Promotion Scheme as required under Article 27.3 of the Agreement on Subsidies and the Countervailing Measures.

Chairman called on Shri Rajeev Kher, Special Secretary, Trade Policy Division, Ministry of Commerce (since designated to take over as Commerce Secretary) on 21<sup>st</sup> January 2014 to brief him about the Expiry Review initiated by Turkey, Council's activities and export performance, etc.

The Chairman met Shri Sujit Gulati, Joint Secretary on 20<sup>th</sup> February 2014 in New Delhi to discuss matters relating to TECHNOTEX held in Mumbai during 20-22 March 2014.

## MEETINGS

The Chairman met Shri Hardeep Singh, Jt. DGFT on 20<sup>th</sup> February 2014 in New Delhi and requested to consider release of Deemed Drawback only of the Customs Portion (B) to DTA units in cases, where Cenvat Credit has been taken which would provide level playing field for exporters for deliveries to EoU units and physical exports.

Vice Chairman had a Meeting with Shri Tapan Majumdar, Director, Ministry of Commerce, New Delhi on 25<sup>th</sup> March. During the Meeting the Vice Chairman discussed matters relating to the visit of the Delegation of European Commission in connection with Anti-subsidy Investigation on PSF.

## EXPORT ASSISTANCE

The Indian Textile Industry is one of the leading textile industries in the world and also plays a major role in the economy of the country. The textile industry of India contributes to nearly 14% of the total industrial production, around 3% to the GDP and also about 27% of total foreign exchange earned by the country. India's exports of textile and clothing are expected to reach about US\$ 65 billion by end of March 2017.

The Government of India has promoted a number of export promotion policies for the Textile sector in the Union Budget and the Foreign Trade Policy 2009-14. Export incentives are very important for competitiveness of Indian exporters in the world market. The Council provides its members updated information on the understanding the business environment, the factors involved in shaping the competition in the world economy and familiarize the exporters with various Incentives involved in export.

The Council provides following services to its members :

- Comprehensive analysis of the various provisions of the Foreign Trade Policy & Procedures
- Taking up Issues with DGFT, Ministry of Commerce & Industry and various Ministries with a view to make the Foreign Trade Policy and other Schemes operationally – transparent, result-oriented and exporter-friendly.
- Scrutinizing minutely and suggesting corrective measures for amendments in Duty Drawback rates, Customs & Central Excise Rules & Regulations
- Disseminate systematically authentic and updated information on various policy amendments & clarifications

Duty Drawback scheme is an important to in the exporters of Man-made fibre textiles as majority of the exporters operate under this scheme. During the year, the Council submitted the proposals for increase in the Duty Drawback rates for Manmade Textiles. The Council made a presentation on the Drawback Proposals before a High level DBK Committee.

The Council sent Budget proposals for 2014-15 which included such as - inclusion of Textiles export sector in priority sector lending, Allocating minimum 15% of Adjusted Net Bank Credit (ANBC) for textiles export sector, Capping interest rates at 7% for textile exports, Working Capital assistance for Raw material, Interest Rate Subvention Scheme to be made available to Textiles Export till 2016-2017, Guarantee Charges Collected by Banks under Export Promotion Capital Goods (EPCG) should be 3% or less as a onetime charge, Amendment in Section 35 of IT Act 1961, Waiving of Service Tax in relation to business exhibition organized within India (RBSM), Addition of more services in the list of service tax refund, Reduction of Excise duty on Man-Made Fibres from 12% to 4%, Removal of SAD (on MMF), Allowing Handmade Carpet Exporters a longer period of 1 year for liquidating Packing Credit Foreign Currency (PCFC), Allowing a longer period of 1 year for liquidating pre-shipment and post-shipment credit to Handmade Carpet Exporters and Re-instatement of Central Excise Rule 12B.

The Council took up issues/problems faced by member-exporters at the operational level with the Customs, Regional Offices of DGFT, Banks, ECGC etc. with regards to Duty Drawback, problems while applying for application under the FTP Schemes, Customs Clearances, Strikes at the Port, Shortage of



## EXPORT ASSISTANCE

Staff at the Port etc. and necessary clarifications were given without delays. The Council also attended to complaints received from exporters and overseas buyers on issues related to procedural & policy matters to be taken up with various Government and Embassies non-payment against export bills, quality problems etc.

The representations on issues concerning member exporters related to FTP, Duty Drawback, Customs, Excise, Finance, etc. were submitted to the concerned Ministries & Government Departments during 2013-14 are as follows :

- Allow exemption of ADD and Safeguard duty even in DFIA Scrips transferred after fulfillment of Export Obligation.
- Claiming benefit under the Incremental Export Incentivisation Scheme, Resolving non-availability of software with Regional DGFT, etc.
- Smooth and error free uploading of e-BRCs which has created difficulty to the exporter leading in claiming Chapter 3 benefits.
- Requirement of CENVAT declaration as per PN 35 dated 01.03.2011 for Deemed Export Drawback (Customs duty).
- Allow readymade garment units in SEZs to do job work so as to efficiently utilize the capacities that have been installed in SEZ.
- Seeking clarification on Changes in Brazilian Customs Practices – Delivery Without Original Bills of Lading (OBL) under new Regulation "IN 1.356".
- Clarification regarding rejection of application by Addl. DGFT under Focus Product Scheme due to S/B description not showing Man-made word in description.
- Increase of incentives from 2 % to 5% for HS code 5403.10.90 (Other Viscose Rayon Filament Tyre Yarn) under Focus Product Scheme (FPS).
- Providing incentive to FMS/FPS/MLFPS under Chapter-3 against Appendix 25D (Legal undertaking) or Bank Realization Certificate.
- Allow exporters to do job work for domestic customers in the DTA area so as to efficiently utilize the capacities that have been installed.
- Extend interest subvention benefit to Merchant exporters and inclusion of more items (HS Code 5007, 5208 to 5211, 5407 and 6304) under the Scheme.
- Allow import of Second Hand Capital Goods under Zero Duty EPCG Scheme so as to improve productivity and technological upgradation of textile manufacturing industry.
- Allow submission of manual application in eBRC for payment received through ECGC.
- Admissibility of Deemed Export Drawback (Customs duty part) on supplies made after availing Cenvat credit facility.
- Fixation of SION for "Dipped Belting Fabrics (EP) Conveyor Duck/ Synthetic Fabrics of Nylon 6/66 & Polyester 840 Denier and Polyester Industrial yarn.
- Proposal for reducing the period of realization of export proceeds from existing 270 to 180 days.
- Refund of Terminal Excise Duty paid on Polyester Fibre procured locally against invalidation of Advance Authorisation.
- Consider releasing the Deemed Drawback, to DTA units in cases where Cenvat Credit has been taken for deliveries to EOU units and physical exports.
- Include "Embroidery Fabrics" under FPS under HS code 5810.
- To expand Chapter 3 benefits for Polyester-Cotton Fabrics falling under HS Code 5513 and 5514.
- Include "Woven Fabrics of yarns of different colours" falling under HS Code 5516 under FPS.
- Re-instate Central Excise Rule 12B.
- Increase Drawback rates for embroidery fabrics namely Curtain Fabrics falling DBK Sr. No. 5810 and special woven fabrics under No. 580102 and 580103.
- Clarification sought on clearance of excisable capital goods where excise duty is paid through Status Holder Incentive Scrip (SHIS) and operational provisions of Rule 6 of Cenvat Credit Rules, 2004.
- Include Fabric Sample Booklets under Draw Back Scheme as Miscellaneous Manufactured Articles under Chapter No.96.

## EXPORT ASSISTANCE

- To rectify an anomaly being created due to differential DBK rate for the same product for manufacturer and merchant exporter.
- Various issues in regard to Duty Drawback Claims of exporters for submitting of LC copy Test Report.
- DEPB Licence not getting registered at Air Cargo Customs Sahar due to error code 02 & 93.
- Release Bank Guarantee submitted with JNCH against EPCG licence.
- Re-instate earlier export payment realization period of twelve months for realisation and repatriation of export proceeds and reduce Interest Rates & Priority Sector Lending for Exports
- Include additional Markets like Turkey and Brazil under Focus Market Scheme as these markets were hit due to anti dumping duties levied on them.
- Grant Bonus Scrip to enable member-exporters continue to export to EU, due to withdrawal of GSP and GSP Plus benefits to India by EU.
- Sanction 5% Margin Money Subsidy Claim under the TUF Scheme for SSI Sector.

The Council sent Proposals to be included in the New Foreign Trade policy and made a detailed presentation before the then Hon'ble Union Minister of Commerce & Industry and DGFT.

## ANTI-DUMPING INVESTIGATIONS/SUNSET REVIEWS

### Turkey – Expiry Review on “Yarns made out of Manmade or Synthetic or Artificial staple fibres”

Turkish Designated Authority (DTM) initiated an expiry review of Anti-dumping Duties on “Yarn of manmade or synthetic or artificial staple fibres” falling under HS codes no. 55.08, 55.09, 55.10, 55.11 (except 5509.52, 5509.61, 5509.91 and 5510.20) imported from other countries including India vide initiation notice dated January 10, 2014. Earlier, the Turkish Authorities had imposed an anti-dumping duty between 0.29 and 0.39 US Dollar/Kg for India.

Nine participating Indian Companies under the umbrella of the Council submitted their responses to the Investigating Authority in Turkey - DTM.

The Council has been coordinating the efforts of the concerned exporters to defend the case DTM. The Council has engaged the services of Mr. Alev Kaymak, a Turkish Consultant to present the case before DTM and Shri Sunil Bhargava, Indian Lawyer, to guide the exporters in filing the questionnaire, verification procedures, replies to queries raised by DTM etc.

It is understood from our Indian and Turkish Lawyer that after receipt of responses, The Ministry of Economy in Turkey would review them in detail, and in two-three months, may confirm the names of the companies to be verified in India.

The Council has taken up the matter with the Ministry of Textiles to take up the matter bilaterally with the concerned authorities in Turkey to withdraw the Anti-dumping Duties on “Yarns made out of Manmade or Synthetic or Artificial staple fibres” falling under HS code 5508, 5509, 5510 & 5511 originating from India.

### European Commission – Anti-subsidy Investigation on import of “Polyester Staple Fibre” (PSF)

The European Commission has initiated an Anti-subsidy Investigation on import of “Polyester Staple Fibre” (PSF) falling under HS Code 55032000 originating from India and other countries like The People's Republic Of China and Vietnam vide initiation dated 19<sup>th</sup> December, 2013.

The Concerned exporters were asked to make them known to the European Commission as Interested Party to the investigation. Subsequently, the European Commission identified five sample companies for on-site verification in India.

The EC officials visited Dept of Commerce (GOI) on March 31, 2014 to cross verify the details of Central and State Govt schemes with officials of DOC, DGFT and DBK Dept. Council's representative was also present at the meeting.

The EC has completed the verification at the

## ANTI-DUMPING INVESTIGATIONS/SUNSET REVIEWS

manufacturing units of the samples companies.

### **India – Safeguard investigation concerning imports of “Bare Elastomeric Filament yarn”**

The Council received information from Director General of Safeguards regarding initiation of Safeguard Investigation on imports of “Bare Elastomeric Filament Yarn of all deniers and varieties” (Mainly Spandex) from countries like Vietnam, Korea, China, Singapore, Taiwan and Thailand into India vide initiation notice dated February 28, 2014 falling under HS Code 54024400 and 54041100. The Council later informed all concerned exporters to register themselves, as an interested party to the DG (Safeguards).

The Council has written to DG (Safeguards) opposing the possibility of safeguard duties on Bare Elastomeric Filament Yarn and requested for dismissal of the petition.

### **Turkey – Expiry Review of “Polyester Staple Fibres” originating from India**

The Council received information that Turkey has

initiated an expiry review by Turkey on Polyester staple fibre originating from India, Thailand and China falling under HS Code 5503.20.00.00 vide initiation dated March 26, 2014 and concerned exporters had to submit response to questionnaire within the stipulated time.

### **Indonesia - Anti Dumping Investigation on import of Drawn Textured Yarn**

Indonesia had initiated an Anti-Dumping Investigation on import of “Drawn Textured Yarn” (DTY) from India and other countries vide initiation dated August 2, 2013 falling under HS Code 5402.33.00.00. The Council informed the interested members for submission of Questionnaire before the deadline. The council had communicated with the Designated Authority in Indonesia - KADI for extension of the dead-line for submission of the duly filled in questionnaire. The Council had received “essential facts” in DTY investigation commenced by Indonesia on July 30, 2013. KADI has forwarded the results of the data enquiry report on anti dumping on imports of DTY with a request to provide the comments by concerned exporters by 16 June 2014.

## PUBLICITY

With a view to popularise Indian man-made fibre textiles in the overseas markets and to create greater awareness about the burgeoning capability of Indian textile industry to meet the growing global demand for quality items and to keep the Indian exporters well aware about the latest overseas market trends, the Council executed a publicity programme in the year 2013-14.

### **INFO SRTEPC**

The Council brought out and circulated its monthly INFO SRTEPC punctually throughout the year. The monthly publication played an important role by giving latest information on various markets, policy developments, news relating to exports, trade notifications, exports statistics, overseas trade enquiries, Council's activities in India and abroad, etc. The publication kept members updated on the latest developments in the international and domestic textile scene.

### **Press Releases**

The Council issued Press Releases regularly highlighting

exports of synthetic and rayon textiles, export promotion activities of the Council, etc. The Press Releases obtained wide coverage in the print media including financial dailies and trade journals as well as textile website.

### **Articles**

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

### **Advertisements**

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

### **SRTEPC Brochure**

A brochure highlighting the services of the Council, scope to increase exports of MMF textiles, etc. was brought out for distribution among prospective companies during Seminars/Workshops organized by the Council for enhancing its membership base.

## EXHIBITIONS / FAIRS

### **INTEXPO Iran**

INTEXPO, the biggest exposition of Indian textiles in Iran, was held at Darya-e-Noor Hall of Hotel Esteghlal in Tehran, Iran during May 19-21, 2013. The Exhibition, a follow up action to the Visit of the High Level Textile Delegation led by the Joint Secretary, Shri V. Srinivas, was held under the guidance of the Ministry of Textiles and Ministry of Commerce & Industry with active support and assistance of the Indian Embassy in Iran.

INTEXPO was inaugurated jointly by the Secretary Textiles, Ms. Zohra Chatterji and H. E. Mr. D. P. Srivastava, Ambassador of India in Iran in the presence of Shri V. Srinivas, Joint Secretary (Exports), Ministry of Textiles, Government of India and Shri Rakesh Mehra, Chairman, SRTEPC; Shri Anil Rajvanshi, Vice Chairman, SRTEPC, Shri Sanjeev Saran, former Chairman and Convenor, Export Promotion Committee of the Council; Shri Vinod Kumar Ladia, immediate past Chairman, SRTEPC; Shri G. K. Gupta, former Chairman, SRTEPC; Shri S. K. Khandelwa, member, Committee of Administration of the Council; Mr. Ahmad Doust Hosseini, Secretary General, Tehran Chamber of Commerce Industries & Mines, Mr. Reza Tofighi, Vice President of Marketing & Trade Relations of Trade Promotion Organisation of Iran (TPO) and other Senior officials from the Government of Iran and the Government of India, Heads of the Iranian Textile Industry/ Associations/ Chambers, Senior representatives of the leading Indian companies and other Dignitaries were also present.

About sixty Indian companies belonging to various Textile Councils including SRTEPC participated in INTEXPO Iran. A wide range of products were on display – offering a not-to-be-missed opportunity for buyers in Iran to see under one roof what India can offer, meet Senior representatives of Indian companies and conclude profitable deals.

INTEXPO was highly successful and attracted around 2000 Iranian buyers during the three-day Exhibition. Participants were successful in booking on-the-spot business orders to the tune of US\$4.9 Million and business under negotiation amounting to US\$ 40.55 Million.

### **Seoul International Textile Fair (Preview in Seoul), Seoul, South Korea**

The Council, as part of its promotional programme for the year 2013-14, organized participation of 6 member-companies including M/s. Raymond Ltd. in 'Seoul International Textile Fair' (Preview in Seoul) in South Korea which booked bigger space for showcasing its exclusive range of fabrics to its target South Korean

customers.

### **Intertextile Shanghai Apparel Fabrics, China**

The Council organized participation of its member-companies at the Intertextile Shanghai Apparel Fabrics held from 21<sup>st</sup> -24<sup>th</sup> October 2013 in China.

Eleven member-companies of the Council participated and displayed their latest range of Indian man-made fibre textiles.

H. E. Mr. Naveen Srivastava, Consul General of India, Shanghai visited Indian stalls and interacted with the company representatives. The Fair received good response not only from the Chinese buyers, importers and importing agents but also from its neighbouring countries like Vietnam, EU and ASEAN countries. Most of the participating companies received trade enquiries for their products and few of them even negotiated for orders. The total estimated amount of business under negotiation is reported to be around US\$ 7.5 million.

### **8<sup>th</sup> Cambodia Import-Export & One Province One Product Exhibition, Phnom Penh, Cambodia**

The Council organized participation of its member-companies in the '8<sup>th</sup> Cambodia Import-Export & One Province One Product Exhibition' with the active guidance and co-operation of the Embassy of India in Phnom Penh, Cambodia during 15 to 18<sup>th</sup> December, 2013. Twenty member-companies participated in the multi-product International Event, which was organized by the Ministry of Commerce, Kingdom of Cambodia with the purpose of promoting trade and investment.

The Exhibition was inaugurated by Mr. Kiti Setha Bandit Keat Chhon, Hon'ble Permanent Deputy Prime Minister of the Kingdom of Cambodia.

The Exhibition received mixed results. Some representative of the participating member-companies felt that the response received from Buyers at the Exhibition was lukewarm, other participants received good trade enquiries with possibility of orders shortly. It was learnt that the total estimated value of these trade enquiries was US\$ 1,16,000/-. Products for which business was discussed include shirtings, suitings, printed dress fabrics, rayon choli etc.

A "Networking Dinner" was also organized by the Council on 16<sup>th</sup> December 2013 at Nagaworld Hotel in Phnom Penh on the occasion of the participation of the Council's member-companies in the OPOP 2013 in Phnom Penh.



## EXHIBITIONS / FAIRS

### **Jeddah International Trade Fair, Saudi Arabia**

The Council organized participation of its member companies at the Jeddah International Trade Fair, Saudi Arabia held from 15 – 18<sup>th</sup> December, 2013.

Nineteen member – companies of the Council participated and displayed the latest range of Indian man-made fibre textiles, including yarns and fabrics like hand embroidered fabrics, knitted fabrics, shirting and suiting, Laces, trimmings, and made-ups etc. at the Fair held in Jeddah Centre for Forums & Events Madinah Road/Herra Street, Jeddah, Kingdom of Saudi Arabia.

The Fair was inaugurated by Adnan Hussain Mandoura, Secretary General, Jeddah Chamber of Commerce & Industry on 15<sup>th</sup> December 2013. H.E. Shri Fiaz Ahmed Kidwai, Consulate General of India, Jeddah was also present on the occasion.

About 140 trade visitors including importers/buyers/agents visited the stalls of the participating companies. It was also observed that visitors from other countries like Jordan also visited the Fair. The Fair received moderate response in terms of business booking. Spot orders of around USD 2 Mn were booked during the Fair and nearly US\$ 4 Mn. of business are under negotiation. Moreover, most of the participating companies were able to receive trade enquiries and establish contacts with potential buyers,

### **Tex Trends India January 2014**

The 4<sup>th</sup> edition of Tex-Trends India 2014 organized by the Ministry of Textiles and participation of all textile & allied Councils was held from 20 to 22<sup>nd</sup> January, 2014 at the Pragati Maidan in New Delhi. Around 383 Exhibitors participated in Tex-Trends India 2014, and about 1533 Buyers and Buying Agents visited the Fair. The Apparel Export Promotion Council (AEPC) was designated as the lead Council by the Ministry of Textiles to co-ordinate with other textile Export Promotion Organizations including the Synthetic & Rayon Textiles Export Promotion Council for organizing the Fair.

Tex Trends India 2014 was inaugurated by then Hon'ble Union Minister of Textiles Dr.K.S.Rao in Pragati Maidan in the presence of Smt.Zohra Chatterji, Secretary (Textiles), Mr.Virendra Uppal, Chairman AEPC, Senior Officials of the Ministries of Textiles, Finance and Commerce, Chairmen & Directors of the participating Councils ; Ambassadors of Foreign Missions in India, Media persons and leading importers/buyers from various countries.

About 383 Exhibitors from different parts of India exhibited the entire range of Textiles/Clothings items and allied products in an area of 8065 sqms. Five participants of SRTEPC exhibited their latest range of Man-made fibre textiles in an area of 48 sqms, while 12 other members of the Council directly participated in the Fair.

The Council had specially invited Mr.Mohd. Bin Jaafar of M/s.Busana Azzahra Sdn Bhd., a Buyer of fabrics from Malaysia. Mr.Jaafar visited the stalls of the Council's representative during the 3-day Fair, and discussed business with them.

The Council along with CITI had also put up a special Pavilion in an area of 36 sqms at Tex-Trends. The Pavilion was designed and constructed with the help of National Centre for Design & Product Development (NCDPD). The Council displayed special qualities of fabric-materials, besides yarns in the Pavilion that are needed for making apparels, which were collected from member-companies.

The Fair comprised activities like Theme Pavilion, Seminars, and Fashion Shows. Theme Pavilions were set-up by various Councils to showcase the strength of Indian Textile Industry. Fashion Shows were also organized twice a day on all the three days of the Fair – showcasing the textiles and fashion trends and collections of 168 outfits. At the end of the programme, best display Awards were given to the concerned Exhibitors under various categories viz. womens-wear, mens-wear, kids-wear, fashion accessories, made-ups, synthetic fabrics & yarns, carpets, handicrafts, woollens and jute products.

### **Indian Textile Exhibitions – INTExPO, Colombia**

The Council organized exclusive Exhibitions of MMF Textiles at Bogota and Medellin in Colombia from 24<sup>th</sup> to 28<sup>th</sup> February 2014 as part of the Council's Export Promotion programme for the year 2013-14. The Exhibitions in Colombia were held for two days each in Bogota and Medellin in close association and support of the Embassy of India in Bogota, and the Honorary Consulate General of India in Medellin, Colombia.

The Exhibition in Bogota was inaugurated on 24th February, 2014 by Shri.Sajeev Babu Kurup, Counselor of the Embassy of India in Bogota in the presence of Buyers, local Dignitaries and Media persons. The Exhibition in Medellin was held on 27th & 28th February, 2014 in Hotel Dann Carlton Medellin. The Exhibition in Medellin was inaugurated by Ms. Jenny Luna, Consul of Honorary Consulate of India in Medellin amidst the

## DELEGATION / SEMINARS / WORKSHOPS

presence of visiting Buyers & Media persons.

### **Exhibition in Bogotá**

During the first-half of the 2-day Exhibition in Bogotá, select 42 Colombian Buyers met and discussed business with their Indian counterparts as per pre-arranged schedule of meetings. These specially arranged meetings were organized by a professional Event Management Agency (M/s. Camara Colombia India) on the basis of the product-profiles of the participating Indian companies. Remaining second-half of both the days of the Exhibition in Bogotá was open to the Colombian Buyers without prior appointments, and during that period 35 Buyers visited the Exhibition to negotiate business with the participating Indian companies.

### **Exhibition in Medellin**

In Medellin too Business Meetings on one-to-one basis between the exhibiting company-representatives and their Medellin-counterparts were organized. Around 70 Buying Company-representatives met the participants and negotiated fruitful business with them during the Exhibition in Medellin.

A total amount of Rs. 21.62 crores was generated during the Exhibitions in Colombia. Of which, the spot orders were to the tune of Rs. 1.20 crores and business under negotiation amounted to Rs. 20.42 crores.

## DELEGATION

### **Visit Of High Level Textile Delegation To Romania**

A High level Ministry of Textiles Delegation, led by Shri V. Srinivas, the then Joint Secretary (Exports), visited Romania from 20<sup>th</sup> June to 22<sup>nd</sup> June 2013. The other members of the Delegation were Shri Anil Rajvanshi, Vice-Chairman, SRTEPC, Shri Manickam Ramaswami, Chairman, Texprocil and Dr. B.B. Bindroo, Director, Central Silk Research and Training Institute, Mysore. Shri Arun Kumar Sharma, (Cd'A), Embassy of India, Romania and Shri V. Venkatraman, First Secretary, Embassy of India, Romania were also part of the Indian Delegation during the JWG Meeting.

The main objective of the Delegation was to explore the potential for substantive bilateral discussions on textiles trade between India and Romania through a Joint Working Group (JWG). The India – Romania Joint Working Group (JWG) has been constituted under the Memorandum of Understanding between the Ministry of Textiles of the Republic of India and the Ministry of Economy, Medium and Small Industries of Romania.

## SEMINARS/WORKSHOPS

### **Workshop on Foreign Exchange Risk Management in Surat**

The Surat Regional Office of the Council organized a Workshop on Foreign Exchange Risk management- **"How to survive and prosper in difficult times"** in association with Vadilal Forex and Consultancy Service Ltd. in Surat on Saturday 3<sup>rd</sup> August 2013.

The objective of the Seminar was to familiarize member exporters in Surat region with the Foreign Exchange Market and identify hedging tools to manage forex fluctuations in recent times, to help exporters in reducing the risk in Foreign Exchange transactions efficiently.

### **Seminar on Exports in Bhilwara**

The Council organized a Seminar on Man-made Fibre Textile Industry & Exports in Bhilwara, Rajasthan on 7<sup>th</sup> September 2013 with the support of Mewar Chamber of Commerce & Industry. Shri Rakesh Mehra, Chairman of the Council chaired the Seminar. Shri Sujit Gulati, Joint Secretary, Ministry of Textiles, Government of India was the Chief Guest while Shri S. S. Das, Director, Ministry of Textiles was the Guest of Honour.

The objective of the Seminar was to create an awareness among the member exporters of the region about the latest trends and developments in various fields relating to exports of man-made fibre textiles. During the Seminar, presentations were made on topical issues such as "Trends and Changing Scenario in International marketing of MMF textiles". "Future of Man-made fibre textile exports – potential & challenges in Bhilwara", "Scope for production & exports of technical textiles" and "Role of SRTEPC in promoting exports".

### **Seminar on exports in Surat**

The Council organized a Seminar on "Man-made fibre textile industry & exports" in Surat, Gujarat on 4<sup>th</sup> October 2013. Shri Rakesh Mehra, Chairman, SRTEPC chaired the Seminar. Shri Sri Narain Aggarwal, Regional Chairman, SRTEPC, Surat was also present on the occasion. Shri Anil Rajvanshi, Vice-Chairman, SRTEPC; Shri Sanjeev Saran, former Chairman, SRTEPC were also present at the Seminar.

The objective of the Seminar was to create awareness among the textile manufacturing companies and exporters from the Surat region about the latest trends and developments in various fields relating to exports of MMF textiles. During the Seminar presentations were made on "Prospects for exports of synthetic textiles from

## DELEGATION / SEMINARS / WORKSHOPS

Surat", "Emerging trends in Global Textiles – Opportunities for India", "Indian Man-made textiles export & role of SRTEPC in promoting exports", "International Marketing of MMF textiles, "Facilities under the Technology Upgradation Fund Scheme" and an educational program on "Basic of Export/Import Overseas Market Entry Strategy, Sales Agents Abroad & Promotional Tools, etc."

### **Seminar on Man-made fibre textile industry & exports in Varanasi**

The Council in association with EUPEA Varanasi organized a Seminar on Man-made Textile Industry and Exports in Varanasi on 10<sup>th</sup> October 2013. The Seminar was attended by large number of textile manufacturing companies, exporters and press reporters.

Shri Pranjal Yadav , District Magistrate and Collector, Varanasi was the Chief Guest at the Seminar. Shri Rakesh Mehra, Chairman, SRTEPC; former Chairmen Shri R. L. Toshniwal, Shri Ganesh Kumar Gupta, Shri Sanjeev Saran were also present on the occasion.

The objective of the Seminar was to create awareness among the textile industry in Varanasi about the prospects for further growth of man-made textile exports and bring more textile producers to the export

field. A Press Conference was held prior to the Seminar to publicise the event among the local textile community

### **Textile Conclave**

The Ministry of Textiles organized a Textile Conclave on December 2<sup>nd</sup> 2013 at The Grand Hotel, New Delhi. The Conclave was inaugurated by the then Hon'ble Union Textile Ministry, Dr. K. S. Rao in the presence of Secretary Textiles, Smt. Zohra Chatterji and stakeholders of the textile industry.

The Textile Conclave provided a mega platform to the textile industry stalwarts, policy makers and various textile Councils/Associations, etc. by giving them an opportunity for discussions, deliberations and sharing of views on prospects of Indian Textiles Industry to usher in a new revolution.

Shri Rakesh Mehra, Chairman, SRTEPC; Shri R. L. Toshniwal, former Chairman, SRTEPC and Shri Vinod Kumar Ladia, immediate past Chairman represented the Council at the panel discussions held on various topics during the Conclave.

## MARKET DEVELOPMENT ASSISTANCE

Export Promotion is one of the major thrust areas for the Government. In order to facilitate various measures to motivate the Indian exporters to stimulate and diversify the country's export trade, the Department of Commerce has provided Marketing Development Assistance (MDA) Scheme to eligible exporters to undertake export promotion activities. The Council as the designated Body for implementation of the MDA Scheme plays a crucial role in its efficient administration.

The Council advises the member-exporters on MDA Guidelines for availing the assistance for development of Focus markets. MDA Applications and Claims received from the exporters against their participation in international Exhibitions and Fairs during the year were scrutinized and approved for disbursement of funds received from the Ministry of Commerce under the

Scheme.

Council prepares the Annual Action Plan for development of new potential markets. The Action Plans approved by the Ministry of Commerce & Industry are disseminated to the member-exporters which are also supported by the MDA. Any amendments and notifications introduced by the Ministry of Commerce under the Scheme were circulated to the members and published in Council's Magazine and website of the Council. An ever-growing number of exporters have taken the benefit of the Scheme for development of potential markets and increase the Indian MMF textile exports from the country.

The Council disbursed MDA to 52 member-exporters during the period 2013-14 amounting to the tune of Rs.95,88,567/-

## TRADE CENTRE

As part of its efforts to further boost exports, the Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) established the TRADE CENTRE at its Mumbai Head Office in 1979. Today, it is recognized as a "One Stop Sourcing Point" for overseas buyers looking for the best deals in the shortest possible time span. Here, the entire range of India's synthetic and rayon textiles is on display under one roof. The prospective importer has an added advantage, as the Council provides him with ready assistance in selecting products and suppliers according to his specifications.

Situated at Mumbai, the Commercial nerve center of India, the TRADE CENTRE arranges business meetings on one-to-one basis between Indian suppliers and visiting importers, and generates trade enquiries, which result in business contracts. The CENTRE has a data-base of profiles of some overseas buyers, which is regularly taken advantages by member-exporters to find buyers in existing and new markets. The SRTEPC TRADE CENTRE

also provides professional services to Indian companies to plan their export-activities. These services and many more are offered by the TRADE CENTRE to help Indian exporters expand their exports.

The conveniences offered by the SRTEPC TRADE CENTRE go a long way in clinching new deals and renewing existing ones. Several such trade centers have emerged in the past few years, yet one cannot forget that the Council was the first Export Promotion Organisation to introduce this concept. What's more, it had the courage of conviction to follow the idea through to its completion.

### Foreign Enquiries

Over the years, the Council has enriched its contacts with overseas buyers and established itself as an authentic Apex Organisation for them to choose appropriate Indian exporters.

## RESEARCH

The Council provides up-to-date and relevant information to its member-exporters on various vital issues relating to export of Man-made fibre textiles through exhaustive Market Research. Taking into consideration the dynamic global market scenario, the Council carried out following main activities in its Market Research Department during the year:

### Exclusive Data Compilation

The Council maintained/s exclusive statistical database comprising information on trade statistics of MMF textiles like exports and imports. The basis of these databases was/is primarily the statistics received from Directorate General of Commercial Intelligence & Statistics (DGCI&S). The Council also compiled exhaustive statistical data from various other sources 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. Council also prepared and provided up-to-date information to the member exporters based on COMTRADE data from WTO and Trade Statistics from International Trade Centre (UNCTAD/WTO) for business development. The data were mainly related to exports, imports and production of MMF textiles items such as fibre, yarn, fabrics and made-ups items.

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. by using these data. The reports were sent to different officials in the Ministry of Textiles, Ministry of Commerce, Office of the Textile Commissioner, DGFT and members of the Council for information, reference and strategic planning.

### Market Research

It is one of the core activities of the Council. Since markets across the globe have become increasingly uncertain and competitive; market research has turned



out to be inevitable to do successful trade/business. The Council provided its member-companies and also to the Ministry of Textiles and Commerce a systematic, purposive and analytical data about a particular markets, products, etc. through exhaustive research activity. Council also conducted extensive desk research and select primary research work in order to keep its member-companies most updated with the market dynamics and volatile industry situations all over the world.

The most essential line of activity that the Market Research department of the Council did was:

## ❖ Market trends

A through 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 such information to the 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 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 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 published in Council's monthly publication 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

Research 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 which provided practical guidelines for member-exporters to enter and expand in various markets. During 2013-14 the Market Reports that were prepared and published in Council's monthly publication – INFO SRTEPC were mainly as follows:

- Jordan
- Kenya
- Pakistan
- Syria
- Vietnam

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

- ❖ Council's inputs for 11<sup>th</sup> meeting of India-Philippines Joint Working Group on Trade & Investment.
- ❖ Reply on EU's regulation regarding suspension of EU GSP in respect of (Preferential Treatment) export of textiles to EU.
- ❖ Inputs for East Asia World Economic Forum being convened at Nay Pyi Taw, Myanmar.
- ❖ Council's inputs for Trade Policy Review (TPR) of

## RESEARCH

Brazil and Suriname.

- ❖ Comments for meeting on Super Regional Cumulation in Colombo.
- ❖ Inputs/comments for Market Access for goods (NTMA and Tariffs) under India-Canada CEPA.
- ❖ Information regarding Working Group on "Boosting India's Manufacturing exports" for the 12<sup>th</sup> Five Year Plan (2012-17).
- ❖ Inputs/comments were sent to the Ministry regarding inverted duty structure on Technical Textile items covered under Chapter 59.
- ❖ Council's inputs for suggestions to add more MMF textile items in the Indian wish List to MERCOSUR.
- ❖ Inputs on exports of Indian MMF Textiles to China, Tariff duty etc. including possibilities to sign on MOU between SRTEPC and CNTAC in order to increase India's market access in the Chinese Market.
- ❖ Council's inputs/comments on Exports of MMF textiles to Vietnam including issues for greater textile co-operation relating to meeting with India-Vietnam Joint Working Group on Trade.
- ❖ Council's inputs for not encouraging Textile

Fabric Trims/Cut Pieces/Chindis/Rags. Because these textile products are available in our country and may be procured indigenously.

- ❖ Council's inputs for Ministerial Meeting for the preparation of 3<sup>rd</sup> Session of the India-Azerbaijan Inter-Governmental Commission on Trade, Economic, Scientific and Technological Cooperation (IUIGC).
- ❖ Council's suggestions for addition of products/markets under Focus Product Scheme (FPS)/ Focus Market Scheme (FMS)/ Market Linked Focus Product Scheme (MLFPS).
- ❖ Council's inputs/comments on Textiles trade related issues with South Korea.
- ❖ Council's inputs for the meeting of the WTO Committees of Sanitary and Phytosanitary (SPS) measures/Technical Barriers to trade (TBT).

### 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 402 Certificates of Origin for non-quota items to member-exporters during the year.

## EXPORT AWARD CEREMONY

The Synthetic & Rayon Textiles Export Promotion Council held its annual Export Award Function in Hotel Trident, Mumbai on Friday 31<sup>st</sup> January 2014. Dr. Kavuru Sambasiva Rao, the then Hon'ble Union Minister of Textiles who was the Chief Guest at the Function presented the awards to the exporters for their outstanding export performance for the year 2012-13.

Shri A. B. Joshi, the then Textile Commissioner graced the Function as a Special Guest of Honour. The Function was attended by Shri Rakesh Mehra, Chairman of the Council, Shri Anil Rajvanshi, Vice Chairman of the Council, Shri Sanjeev Saran, Convenor of the Export

Award Committee and former Chairman of the Council, Shri R. L. Toshniwal and Shri G. K. Gupta, former Chairmen of the Council.

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

The SRTEPC Special Award for the Best Overall Export Performance (Gold Trophy) was won by Reliance

## EXPORT AWARD CEREMONY

Industries Limited. Grasim Industries Limited bagged the Silver Trophy for the Second Best Export Overall Export Performance while Indo Rama Synthetics (India) Ltd. was awarded the Bronze Trophy for the Third Best Overall Export Performance. Alok Industries Limited won the Trophy for the Fourth Best Overall Export Performance.

The other companies which received awards in various categories were D'décor Exports, Wearit Global, Dicitex Furnishings Ltd., RSWM Ltd., Banswara Syntex Ltd., Spentex Industries Ltd., Gulabdas & Co., D'décor Home Fabrics Pvt. Ltd., Pee Vee Textiles Ltd., Shriram Rayons, Vijay Fabrics Pvt. Ltd., Zoom International, Kinsum Industries Ltd., BSL Ltd., Le Merite Exports Pvt. Ltd., Shammi Fashions Pvt. Ltd.

The Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao in his speech said that he is always happy when there is growth in the industry and is a positive thinker and keen on improving the productivity, export performance and quality of the industry. The Hon'ble Minister was confident that for the year 2013-14 the textile exports would reach the target of US\$ 43 billion and impressed with the performance of the textile industry has announced that for the year 2014-15 textile exports should not be less than US\$ 60 billion.

He pointed out that achieving the ambitious target would definitely not be difficult if the Government understands the situation and frames right policies to

encourage production and exports. The Hon'ble Textile Minister opined that China which 15 years back lagged behind India but today has created terror among developed nations like USA can do it then it is not impossible for India to do the same. He opined that Indians are competent, enterprising and innovative which has been proved beyond doubt.

Shri Rakesh Mehra, Chairman of the Council earlier in his welcome address expressed satisfaction that exports during April 2013 to November 2013 has picked up and is showing signs of improvement. He anticipated a substantial growth in the remaining period of the current financial year too and was confident of surpassing the target of USD 6 Bn fixed by the Council.

Shri N. M. Gupta, Ex-Group President, K. K. Group (Textile Business) was conferred the Life Time Achievement Award for his outstanding contribution to the man-made fibre textile industry and exports

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

The presentation of awards was followed by a lively Entertainment Programme which comprised Indian and Western dance sequences.

## SYSTEM SERVICES

Keeping in step with the computer revolution, it has been Council's endeavour to constantly computerize its activities. Various software applications were developed for performing the major activities of the Council.

The Council also in its effort to save paper and to keep in tandem with the techno savvy members mailed its circulars and other notifications. Council's monthly publication "INFO SRTEPC" was electronically mailed to members every month.

### Council's website

The Council updated its website regularly to keep the members informed about the activities of the Council. The website contains detailed information about the products, important policy decision and trade notifications of the Government of India, Council's profile and its services and activities, circulars, etc.

The Council also developed an exclusive website for INTExPO Iran. The website was specially launched to give member exporters information about the Exhibition. The website also served as a tool to publicise the event among the visitors.

## REGIONAL OFFICES

### NEW DELHI

The Regional Office of the Council at New Delhi plays the role of a vital link between the Council and different Governmental authorities. The Regional Office constantly keeps the authorities informed on the developments in the export scenario and the problems faced by the exporting community in their export endeavour and the various promotional programmes being undertaken by the Council for boosting growth of exports from time to time.

Enthusied by the result oriented services offered by the Regional Office, more and more members are joining the Council every year. During 2013-14, 54 members enrolled as members from the Delhi region and 173 members renewed their membership.

The Regional Office successfully carried out the certification work relating to the samples and exhibits to overseas Exhibitions and events to the satisfaction of member exporters in Northern Region. Besides, the Regional Office issued 216 Certificate of Origin to member exporters of the region during the year.

Various export related services were offered to the exporting community such as issue of Certificate of Origin, visa recommendation letters to the concerned Embassies & High Commissions located in New Delhi for convenience of overseas business visits of member exporters, etc.

Member-exporters of the Council in the Northern region were provided with necessary guidance and assistance in completing the formalities connected with export documentation, issue of Certificate of Origin, Customs reimbursement of duty drawback, matters related to Excise, MDA & Funds under MAI Schemes. The Regional Office guided the member exporters in their day to day operational problems with different Government authorities.

In coordination with the New Delhi regional Office the Officials from the Head Office attended various periodic meetings at the Ministries of Textiles, Commerce & Industry, Finance and Department of Revenue, CBEC, Drawback, DGFT, etc. and put forth Council's suggestions in various issues pertaining to the trade.

### SURAT

Surat, the main production centre of polyester filament fabrics, contributes substantially to the growth of exports of man-made fibre textiles every year.

The main markets for their products are Asia, Middle East, Africa, America, Europe, European Union, Oceania as well as West Indies. Around 90% of the polyester used in India comes from Surat. The Middle East is the major export market, Asian countries rank second for Surat textile product. Surat textile items are exported to more than 80 countries.

During the year, 577 members renewed their membership and 1264 enrolled as new members. 1023 Certificates of Origin were issued to the members of the region.

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

Former Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao visited the Regional Office at Surat on 5<sup>th</sup> July 2013 and held an Interactive Meeting with the Chairman, SRTEPC along with Regional Chairman, stalwarts of Textile industry/Associations.

The Regional Office at Surat played a dynamic role in tackling various problems of exporters of that region and brought those to the notice of the Committee of Administration from time to time for prompt redressal.

An interactive Meeting with the Jt. DGFT, Surat and Dy. Commissioner, ICD and member exporters of the Council from Surat region was also organized on 17<sup>th</sup> July 2013.

The Regional Office organized a workshop on Foreign Exchange market in association with Vadilal Forex & Consultancy Services Ltd., Ahmedabad on 3<sup>rd</sup> August 2013.



# EXPORT AWARD FUNCTION



Dr. Kavuru Sambasiva Rao, Hon'ble Union Minister of Textiles speaking at the Export Award Function. Also seen on the dais from left to right: Shri Sanjeev Saran, Convenor, Export Award Committee & former Chairman of the Council; Shri Vinod Kumar Ladia, immediate past Chairman of the Council; Shri Rakesh Mehra, Chairman of the Council; Shri A. B. Joshi, Textile Commissioner; Shri Anil Rajvanshi, Vice-Chairman of the Council and Shri R. L. Toshniwal, former Chairman of the Council.



Shri Mukund Kothari, Vice President, Reliance Industries Ltd. receiving the Best Overall Export Performance Award for the year 2012-13 from the Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao at the Export Award Function of the Council



Shri Rajeev Gopal, Sr. V.P. & CMO, Grasim Industries Ltd. receiving the Second Best Overall Export Performance Award for the year 2012-13 from the Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao.



Shri Sanjeev S. Parasampuria, Sr. Vice President, Indo Rama Synthetics (I) Ltd. receiving the Third Best Overall Export Performance Award for the year 2012-13 from the Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao.



Shri Aashish Mehrishi, Sr. Vice President (Polyesters) receiving the Fourth Best Overall Export Performance Award for the year 2012-13 from the Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao.



Scenes from the Entertainment Programme



View of the audience at the Export Award Function of the Council



# INTEXPO IRAN



Ms. Zohra Chatterji, Secretary Textiles, Ministry of Textiles, Government of India inaugurating INTEXPO Iran in Tehran along with H. E. Mr. D. P. Srivastava, Indian Ambassador to Iran, Shri Rakesh Mehra, Chairman, SRTEPC and Shri V. Srinivas, Joint Secretary (Exports).



Ms. Zohra Chatterji, Secretary Textiles interacting with Iranian media persons during INTEXPO.



Meetings of the Delegation with Association of Iran Textiles Industries (AITI) and Tehran Chamber of Commerce, Industries & Mines in progress



View of the Theme Pavilion at INTEXPO



# INTEXPO IRAN



Photograph on the occasion of the Meeting of the High Level Delegation with H. E. Mr. Hamid Safdel, Vice Minister and officials of the Ministry of Industries, Mines and Trade



H. E. Mr. Hamid Safdel, Vice Minister and President Iran Trade Promotion Organization (ITPO) being welcomed to INTEXPO and being presented with memento by Shri Vinod K. Ladia, immediate past Chairman and Shri Sanjeev Saran, former Chairman and Convenor, Export Promotion Committee



View of the stalls at INTEXPO



# EXHIBITIONS/FAIRS



Mr. Kiti Setha Bandit Keat Chhon, Hon'ble Permanent Deputy Prime Minister of Cambodia inaugurating the 8th Cambodia Import Export & One Province One Product Exhibition 2013 in Phnom Penh



The Secretary General, Jeddah Chamber of Commerce & Industry, Adnan Hussain Mandoura inaugurating the Jeddah International Trade Fair. Government officials and other industry heads are also present at the Inauguration.



Shri Sajeev Kurup Babu, Counselor of Embassy of India in Bogota inaugurating the Exhibition in Bogota, Colombia



The Hon. Consul of India in Medellin, Ms. Jenny Luna inaugurating the Exhibition in Medellin, Colombia



View of the Indian Pavilion at Intertextile Shanghai Apparel Fabrics, China



A view of the Inaugural Function of Preview in Seoul 2013, Korea



Hon'ble Union Minister of Textiles, Dr. Kavuru Sambasiva Rao lighting the lamp at the Inauguration of Textile Conclave



Panel Discussions at the Textile Conclave in progress





**AUDITED BALANCE SHEET  
AND  
INCOME & EXPENDITURE ACCOUNT  
2013 - 2014**



## REPORT OF THE COMMITTEE OF ADMINISTRATION (DIRECTORS' REPORT)

To  
The Members,

### **Financial Results :**

Your Committee of Administration is pleased to submit herewith the Audited Balance Sheet and Income & Expenditure Account for the year ended 31st March, 2014.

The Statement of Profit & Loss Account for the year after providing for all known and anticipated charges discloses an excess Income of ₹ 1,73,14,360.03 over Expenses during the year. Last years Surplus is ₹ 12,55,34,799.20 and after adding Profit for the current year leaves a balance of ₹ 14,28,49,159.23.

An amount of ₹ 2,50,92,218.93 shown as Non-Current & Current Liabilities in the Balance Sheet includes [Trade Payable (outstanding bills) etc. ₹ 4,72,079.42, Employee Related Liabilities ₹ 65,167.00, Liability for Staff Superannuation Scheme ₹ 26,469/-, Liability for Leave Encashment ₹ 22,60,224/-, Grant-in-Aid payable towards Re-imbursement to Individual Exporters ₹ 57,82,193/-, Un-spent Grant-in-Aid from Government of India (MAI) ₹ 60,00,000/-, Liability for Statutory dues ₹ 3,75,716/-, Advance received against Intexpo, Peru (2014-15) ₹ 25,00,000/-, Advance Membership Fees ₹ 1,05,000/-, Anti-Dumping Investigation Expenses-Turkey (Net Balance) ₹ 39,22,314.88 & Other Current Liabilities ₹ 35,83,055.63].

### **Members :**

As on 31<sup>st</sup> March, 2014, the total number of Members of the Council stands at 3858.

### **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 Vishal Chiripal (Manufacturer), Shri Sri Narain Aggarwal (Manufacturer), Shri Vinod K. Ladia (Status Holder), Shri M.L. Jhunjhunwala (Status Holder) and Shri Gulam Mohamed Ahmed Shaikh (Merchant Exporter) will retire at the ensuing Annual General Meeting and are eligible to offer themselves for re-election.

### **Auditors :**

The Auditors, M/s.N.P. Jhaveri & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept Office, if re-appointed. The Committee recommends to the Members for re-appointment of the Auditors and fixation of their remuneration.

### **Particulars of Employees :**

None of the employees of your Council were in receipt of remuneration exceeding the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

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

#### **I. CONSERVATION OF ENERGY**

As the Council is not a Manufacturing Unit, particulars relating to disclosure of Conservation of Energy are not applicable.



## II. TECHNOLOGY ABSORPTION

As the Council is not a Manufacturing Unit, particulars relating to Technology Absorption are not applicable.

## III. FOREIGN EXCHANGE INFLOW AND OUTGO

Foreign Exchange inflow during the year under review : ₹ Nil

Foreign Exchange outgo during the year under review : ₹ 2,21,93,048/-

### **Directors' Responsibility Statement :**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Committee of Administration report that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b) accounting policies have been selected and applied consistently and that the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Council at the end the financial year and of the surplus of the Council for that period.
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Council and for preventing and detecting fraud and other irregularities.
- d) the annual accounts have been prepared on a going concern basis.

### **Acknowledgment :**

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 Committee of Administration

**RAKESH MEHRA**

Chairman

Place : **Mumbai**

Dated : 5<sup>th</sup> August, 2014

# INDEPENDENT AUDITORS' REPORT

## The Members of The Synthetic and Rayon Textiles Export Promotion Council

### Report on the Financial Statements

1. We have audited the accompanying financial statements of The Synthetic and Rayon Textiles Export Promotion Council (the "Council") which comprise the Balance Sheet as at March 31<sup>st</sup>, 2014, the Statement of Profit and Loss for the year then ended, and the summary of significant accounting policies and other explanatory information, which we have signed under reference to the report.

### Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Council in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 of India (the "Act") read with the General Circular 15/2013 dated 13-09-2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards 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.
4. 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 risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Council's preparation and fair presentation of the financial statements 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 Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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 the case of the Balance Sheet, of the state of affairs of the Council as at 31<sup>st</sup> March, 2014; and
  - (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;



# INDEPENDENT AUDITORS' REPORT

## Report on Other Legal and Regulatory Requirements

7. The Companies (Auditor's Report) Order 2003, is not applicable to the Council, as it is licensed to operate under Section 26 of the Indian Companies Act, 1913, corresponding to Section 25 of the Companies Act, 1956.
8. As required by Section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Council so far as appears from our examination of those books;
  - (c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet and Statement of Profit and Loss dealt with by this Report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act read with the General Circular 15/2013 dated 13-09-2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - (e) On the basis of written representations received from the directors as at March 31<sup>st</sup>, 2014, and taken on record by the Committee of Administration and the information and explanations given to us, none of the Members of the Committee of Administration is, prima-facie, disqualified as at March 31<sup>st</sup>, 2014, from being appointed as a Member of the Committee of Administration in terms of clause (g) of sub-section (1) of Section 274 of the Act.

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

**(N.P. JHAVERI)**  
**Proprietor**  
**Membership No.33851**

Place : **Mumbai**  
Dated : 5<sup>th</sup> August, 2014

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
<b>LIABILITIES :</b>			
<b>CAPITAL FUND :</b>			
Reserves and Surplus	1	15,62,42,909.23	13,74,91,703.00
<b>NON-CURRENT LIABILITIES :</b>			
Long-Term Provisions	2	20,61,397.00	21,25,142.00
<b>CURRENT LIABILITIES :</b>			
Trade Payables	3	4,72,079.42	3,38,768.00
Other Current Liabilities	4	2,23,33,446.51	79,76,122.07
Short Term Provisions	5	2,25,296.00	68,92,186.00
		2,30,30,821.93	1,52,07,076.07
<b>TOTAL :</b>		<b>18,13,35,128.16</b>	<b>15,48,23,921.07</b>
<b>ASSETS :</b>			
<b>NON-CURRENT ASSETS :</b>			
Tangible Fixed Assets	6	53,61,815.95	60,96,193.67
Tangible Work-in-Progress		2,09,38,359.00	2,09,38,359.00
		2,63,00,174.95	2,70,34,552.67
Long Term Loans and Advances	7	86,00,713.00	62,16,267.00
<b>CURRENT ASSETS :</b>			
Cash and Bank Balances	8	14,51,74,672.21	11,99,02,445.42
Short Term Loans and Advances	9	1,22,622.00	17,856.50
Other Current Assets	10	11,36,946.00	16,52,799.48
		14,64,34,240.21	12,15,73,101.40
<b>TOTAL :</b>		<b>18,13,35,128.16</b>	<b>15,48,23,921.07</b>

Notes to the Financial Statements and  
Significant Accounting Policies

1 To 27

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)**

**RAKESH MEHRA**  
Chairman

**ANIL KUMAR RAJBANSHI**  
Vice-Chairman

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

**VINOD K. LADIA**  
Former Chairman

**V. ANIL KUMAR**  
Executive Director

Place : Mumbai  
Date : 5<sup>th</sup> August, 2014

Place : Mumbai  
Date : 5<sup>th</sup> August, 2014

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No	Year ended 31st March, 2014 ₹	Year ended 31st March, 2013 ₹
<b>REVENUE :</b>			
Revenue from Operations	11	4,47,18,752.50	4,02,50,612.00
Other Income	12	1,39,48,936.00	1,23,93,041.47
<b>TOTAL REVENUE</b>		<b>5,86,67,688.50</b>	<b>5,26,43,653.47</b>
<b>EXPENSES :</b>			
Employee Benefits Expense	13	1,45,20,453.00	1,88,12,398.00
Finance Charges	14	0.00	5,12,034.00
Depreciation and Amortisation Expense	6	7,56,134.72	6,43,028.50
Other Expenses	15	2,60,76,740.75	1,70,83,469.90
<b>TOTAL EXPENSES</b>		<b>4,13,53,328.47</b>	<b>3,70,50,930.40</b>
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>1,73,14,360.03</b>	<b>1,55,92,723.07</b>
Notes to the Financial Statements and Significant Accounting Policies	1 To 27		

In terms of our report attached.

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

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

Place : Mumbai  
Date : 5<sup>th</sup> August, 2014

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

**RAKESH MEHRA**  
Chairman

**ANIL KUMAR RAJBANSHI**  
Vice-Chairman

**VINOD K. LADIA**  
Former Chairman

**V. ANIL KUMAR**  
Executive Director

Place : Mumbai  
Date : 5<sup>th</sup> August, 2014

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Note 1 - Reserves and Surplus</b>		
<b>Capital Reserve :</b>		
Central Government Grant-in-Aid received against purchase of Fixed Assets :		
Balance as at the beginning of the year	153.80	256.34
Less : Transferred to Statement of Profit and Loss	153.80	102.54
Balance as at the end of the year	0.00	153.80
<b>Entrance Fees :</b>		
Balance as at the beginning of the year	1,19,56,750.00	1,11,98,750.00
Add : Received during the year	14,37,000.00	7,58,000.00
Balance as at the end of the year	1,33,93,750.00	1,19,56,750.00
<b>Surplus :</b>		
Balance as at the beginning of the year	12,55,34,799.20	10,99,42,076.13
Add : Profit for the year	1,73,14,360.03	1,55,92,723.07
Balance as at the end of the year	14,28,49,159.23	12,55,34,799.20
<b>TOTAL -</b>	<b>15,62,42,909.23</b>	<b>13,74,91,703.00</b>
<b>Note 2 - Long-Term Provisions :</b>		
Provision for Leave Encashment	20,61,397.00	21,25,142.00
	20,61,397.00	21,25,142.00
<b>Note 3 - Trade Payables :</b>		
	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
Due to Micro and Small Enterprises	—	—
Due to Creditors other than Micro and Small Enterprises	4,72,079.42	3,38,768.00
<b>TOTAL -</b>	<b>4,72,079.42</b>	<b>3,38,768.00</b>



## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Note 4 - Other Current Liabilities :</b>		
<b>Other Payables :</b>		
Liability for Statutory Dues	3,75,716.00	2,47,374.00
Government Grant-in-Aid received for Re-imbursement to Individual Exporters Carried Forward - [Refer Note 21 (iii)]	57,82,193.00	19,99,199.00
Unspent Grant-in-Aid from Government of India (MAI) [Refer Note 21 (I)]	60,00,000.00	0.00
Employee Related Liabilities	65,167.00	8,51,834.60
Advance Membership Fees Received	1,05,000.00	0.00
Advance received against Intexpo, Iran (2013-14)	0.00	27,56,000.00
Advance received against Intexpo, Peru (2014-15)	25,00,000.00	0.00
Anti Dumping Investigation Expenses - Turkey (Net Balance) [Refer Note 22]	39,22,314.88	0.00
Other Liabilities	35,83,055.63	21,21,714.47
<b>TOTAL -</b>	<b>2,23,33,446.51</b>	<b>79,76,122.07</b>
<b>Note 5 - Short Term Provisions :</b>		
Provision for Staff Superannuation Scheme	26,469.00	45,18,219.00
Provision for Staff Gratuity Scheme	0.00	23,33,292.00
Provision for Leave Encashment	1,98,827.00	40,675.00
<b>TOTAL -</b>	<b>2,25,296.00</b>	<b>68,92,186.00</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 6 - Tangible Fixed Assets

Particulars	Buildings	Furnitures, Fixtures & Electrical Fittings	Office Equipments	Motor Car	Computers	Total 31-3-2014	Previous Year 31-3-2013
	₹	₹	₹	₹	₹	₹	₹
<b>GROSS BLOCK :</b>							
Balance as at 1-4-2013	59,55,903.80	68,94,162.27	42,56,898.69	6,23,880.00	52,95,067.15	<b>2,30,25,911.91</b>	2,26,26,258.91
Additions during the year	-	8,400.00	-	-	13,357.00	<b>21,757.00</b>	722,153.00
Sub-Total	59,55,903.80	69,02,562.27	42,56,898.69	6,23,880.00	53,08,424.15	<b>2,30,47,668.91</b>	2,33,48,411.91
Deductions during the year	-	-	-	-	-	<b>0.00</b>	322,500.00
Gross Block As At 31-3-2014	59,55,903.80	69,02,562.27	42,56,898.69	6,23,880.00	53,08,424.15	<b>2,30,47,668.91</b>	2,30,25,911.91
<b>DEPRECIATION :</b>							
Provided upto 1-4-2013	22,85,485.04	61,67,861.67	34,26,854.84	4,35,818.36	46,13,698.33	<b>1,69,29,718.24</b>	1,66,03,365.74
Depreciation provided during the year	1,83,520.94	1,32,156.04	1,15,459.10	48,689.16	2,76,309.48	<b>7,56,134.72</b>	6,43,028.50
Sub-Total	24,69,005.98	63,00,017.71	35,42,313.94	4,84,507.52	48,90,007.81	<b>1,76,85,852.96</b>	1,72,46,394.24
Deductions during the year	-	-	-	-	-	<b>0.0</b>	316,676.00
Total Depreciation upto 31-3-2014	24,69,005.98	63,00,017.71	35,42,313.94	4,84,507.52	48,90,007.81	<b>1,76,85,852.96</b>	1,69,29,718.24
<b>NET BLOCK as at 31-3-2014</b>	<b>34,86,897.82</b>	<b>6,02,544.56</b>	<b>7,14,584.75</b>	<b>1,39,372.48</b>	<b>4,18,416.34</b>	<b>53,61,815.95</b>	60,96,193.67
As At 31-3-2013	36,70,418.76	7,26,300.60	8,30,043.85	1,88,061.64	6,81,368.82	<b>60,96,193.67</b>	

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Note 7 - Long Term Loans and Advances :</b>		
Unsecured - Considered Good		
Deposits	11,74,323.00	11,66,823.00
Tax Deducted at Source / Income Tax payments	74,26,390.00	50,49,444.00
	<b>86,00,713.00</b>	<b>62,16,267.00</b>
<b>Note 8 - Cash and Bank Balances :</b>		
Cash and Cash equivalents		
Cash on Hand	58,159.49	15,067.49
Balances with Banks in Current/Savings Accounts	16,37,786.59	16,61,839.17
	<b>16,95,946.08</b>	<b>16,76,906.66</b>
Other Bank Balances :		
Fixed Deposit with Banks	14,34,78,726.13	11,82,25,538.76
(Original Maturity more than 3 Months)		
(Including Deposits of more than 12 months maturity as on		
31st March, 2014 Rs.Nil previous year Rs.60,00,000/- )		
	<b>14,51,74,672.21</b>	<b>11,99,02,445.42</b>
<b>Note 9 - Short Term Loans and Advances :</b>		
Unsecured - Considered Good		
Other Advances	3,543.00	17,856.50
Advance Payment to Staff Gratuity Fund	1,19,079.00	0.00
<b>TOTAL -</b>	<b>1,22,622.00</b>	<b>17,856.50</b>
<b>Note 10 - Other Current Assets :</b>		
Prepaid Expenses	9,050.00	71,750.00
Other Receivables	4,62,634.00	1,66,756.48
Interest Accrued on Fixed Deposits	6,65,262.00	14,14,293.00
<b>TOTAL -</b>	<b>11,36,946.00</b>	<b>16,52,799.48</b>

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Note 11 - Revenue from Operations</b>		
Membership Subscription	2,38,35,000.00	2,08,83,000.00
Registration cum Membership Fees	1,65,500.00	97,100.00
<b>Contribution towards Participation for BSMs &amp; Trade Fairs :</b>		
Intexpo, Dhaka, Bangladesh (2012-13)	-	11,91,500.00
39th Federal Trade Fair for Apparel & Textile, Russia	-	17,05,000.00
Intexpo, Nigeria & Togo (2012-13)	-	49,49,480.00
Intexpo, Pakistan (2012-13)	-	81,65,110.00
Intexpo, Philippines (2012-13)	-	19,95,000.00
8th Cambodia Import Export & One Province One Product - Exhibition, Phnom Penh, Cambodia	22,70,000.00	-
Indian Textile Exhibitions, Bogota & Medellin in Colombia	36,60,000.00	-
Inter textile Shanghai Apparel Fabrics (ITSA), China	34,26,820.00	-
Intexpo, Iran (2013-14)	47,04,266.00	-
Jeddah International Trade Fair (JITF), Saudi Arabia	42,75,000.00	-
Preview in Seoul in South Korea	9,80,000.00	-
	<b>1,93,16,086.00</b>	<b>1,80,06,090.00</b>
Trade and Industries Contribution	11,57,400.00	9,93,600.00
Certificate of Origin Issuance & Amendment Charges	1,59,766.50	1,58,322.00
Export Performance Certificates	60,000.00	37,500.00
Journal Advertisements	25,000.00	75,000.00
<b>TOTAL -</b>	<b>4,47,18,752.50</b>	<b>4,02,50,612.00</b>
<b>Note 12 - Other Income</b>		
Interest on Fixed Deposits with Banks	1,24,91,301.51	1,12,05,881.44
Interest on Other Deposits	8,538.05	34,544.00
Miscellaneous Receipts	1,16,646.00	3,24,929.05
Credit Balances / Excess Provision Written Back (Net)	71,008.00	65,190.25
Revenue from Export Award Function (Net)	12,41,539.70	3,97,932.67
Refund Received in respect of ITE, Colombia & Ecuador	-	3,64,461.52
Foreign Exchange Gain / (Loss) - (Net)	19,748.94	-
Transfer from Capital Reserve	153.80	102.54
<b>TOTAL -</b>	<b>1,39,48,936.00</b>	<b>1,23,93,041.47</b>



## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Note 13 - Employee Benefit Expense</b>		
Salaries etc.	1,13,40,175.00	1,16,61,385.00
Council's contribution to Staff Provident Fund	9,95,046.00	10,24,048.00
Provision / Contribution to Staff Gratuity Fund	1,61,799.00	4,74,323.00
Staff Welfare Expenses (including Medical Benefits, Leave Travel Concession & Staff Group Insurance Premium)	8,49,265.00	10,01,540.00
Provision / Encashment of Privilege Leave [Refer Note - 20]	94,407.00	4,97,853.00
Provision / Contribution paid to LIC for Council's Superannuation Scheme	10,79,761.00	41,53,249.00
<b>TOTAL -</b>	<b>1,45,20,453.00</b>	<b>1,88,12,398.00</b>
<b>Note 14 - Finance Charges</b>		
Other Interest	-	5,12,034.00
	<b>0.00</b>	<b>5,12,034.00</b>
<b>Note 15 - Other Expenses</b>		
<b>A. Administrative Expenses</b>		
Rent	1,62,458.64	1,62,458.64
Telephone / Fax Charges	1,46,854.55	1,90,783.33
Electricity Charges	7,58,409.05	6,44,083.48
Printing & Stationery	1,39,382.00	1,50,840.00
Travelling Expenses	6,63,454.27	7,03,648.50
Local Conveyance	61,686.00	34,349.00
Postage, Telegram & Telex Charges	1,96,454.82	1,54,185.91
Staff Motor Car Expenses	71,645.21	61,286.00
Hospitality Charges	2,225.00	2,986.00
Expenses of Regional Offices	5,04,861.38	5,66,459.65
Miscellaneous Expenses	2,22,628.36	2,12,573.63
Insurance	4,666.00	4,667.00
Legal & Professional Fees (Including Audit Fees)	28,23,783.00	12,80,609.00
Software / Computer Data Processing Expenses	1,69,706.85	1,21,568.78
Repairs & Replacement Expenses	1,43,819.73	1,28,062.60
Annual General Meeting Expenses	84,799.60	86,633.10
Foreign Exchange Gain / (Loss) - (Net)	-	73,407.36
Training Expenses for Officers & Staff	5,000.00	36,763.00
Contribution to Prime Ministers Relief Fund towards Uttarakhand Relief Work	9,98,000.00	-
Recruitment Expenses	-	1,50,364.00
<b>TOTAL (A) -</b>	<b>71,59,834.46</b>	<b>47,65,728.98</b>

## NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>B. Direct Export Promotion Expenses</b>		
<b>Publication Expenses incurred in India :</b>		
For Members	9,32,894.55	8,35,592.62
<b>Delegations :</b>		
High Level Delegation to Romania	2,73,864.00	-
High Level Delegation to Iran	-	1,60,247.07
	2,73,864.00	1,60,247.07
<b>Others :</b>		
Public Relation Expenses	2,81,430.72	2,02,877.30
Subscription to Publications & Ex-imp Data	98,953.00	60,829.00
Seminars / Workshops / Meetings	12,68,568.43	7,922.50
Visit of Foreign Delegations and Buyers Expenses	-	7,912.00
Membership Fees (Council's)	56,250.00	56,894.00
Advertisement in India	16,800.00	7,350.00
Stress Level Study on Indian MMF Textile Industry	4,80,832.00	-
Textile Conclave 2013 - Brand India Expenses	20,61,111.04	-
High Level Drawback Committee	1,76,032.87	1,11,116.88
	44,39,978.06	4,54,901.68
<b>Exhibitions : (Under MAI &amp; MDA Schemes)</b>		
Intexpo, Dhaka, Bangladesh (2012-13)	-	12,10,540.75
Intexpo, Nigeria & Togo (2012-13)	-	46,18,209.72
39th Federal Trade Fair for Apparel & Textile, Russia	-	18,73,519.66
Intexpo, Pakistan (2012-13)	-	70,68,062.67
Intexpo, Philippines (2012-13)	-	16,24,297.92
8th Cambodia Import Export & One Province One Product - Exhibition, Phnom Penh, Cambodia	24,58,366.00	-
Indian Textile Exhibitions, Bogota & Medellin in Colombia	38,42,034.12	-
Inter textile Shanghai Apparel Fabrics (ITSA), China	35,13,148.50	-
Intexpo, Iran (2013-14)	88,88,576.11	-
Jeddah International Trade Fair (JITF), Saudi Arabia	43,88,525.70	-
	2,30,90,650.43	1,63,94,630.72
Less : Grant-in-Aid from Central Government (Net) [Refer Note - 21 (i) & (ii)]	1,10,57,700.00	58,42,006.00
	1,20,32,950.43	1,05,52,624.72
<b>Exhibitions : (Others)</b>		
JFW International Fashion Fair, Tokyo, Japan	-	2,94,823.39
Tex-Trends India, New Delhi	2,73,878.00	12,214.44
The India-Asean Business Fair & Business Conclave, New Delhi	-	7,337.00
Preview in Seoul in South Korea	9,63,341.25	-
	12,37,219.25	3,14,374.83
<b>TOTAL (B) -</b>	1,89,16,906.29	1,23,17,740.92
<b>TOTAL (A + B) -</b>	2,60,76,740.75	1,70,83,469.90

## NOTES TO THE FINANCIAL STATEMENTS

### Note 16 - Contingent Liabilities not provided for :

#### Income Tax Matters :

- The Income-Tax Department has filed appeals in the High Court of Judicature at Bombay for Assessment Years 1993-94, 1997-98 & 2008-09 against the order of Income-Tax Appellate Tribunal's decisions in favour of the Council. The total amount of disputed tax liability is ₹ 1,33,54,372/- (exclusive of interest).
- The Income Tax Appellate Tribunal has set aside the Assessments for Assessment Years 2004-05, 2006-07 & 2009-10 and directed the Assessing Officer to carry out fresh Assessments taking into account the directions given by the Tribunal. The amount of disputed tax liability was ₹ 1,63,83,907/-.
- The Council has filed an appeal before Commissioner of Income Tax (Appeals) for Assessment Years 2010-11 & 2011-12. The disputed amount of Income Tax liability is ₹ 3,46,66,220/-. The Council has received decisions in its favour from the Appellate Tribunal for earlier years for the same disputed matters.

#### Other Matters :

Claims against the Council not acknowledge as debts ₹ 4,62,02,625/-.

### Note 17 - Payment to Auditors (included in Legal & Professional Fees) :

	2013-2014 ₹	2012-2013 ₹
As Auditors	40,000.00	35,000.00
For Taxation Matters	5,000.00	5,000.00
In Other capacity	14,500.00	19,750.00

**Note 18 -** Expenses of Regional Offices include Rent ₹ 51,886/- (Previous Year ₹ 55,952/-).

### Note 19 - Contribution to Defined Contribution Plans :

	2013-2014 ₹	2012-2013 ₹
Provident Fund (Including for Regional Offices)	9,95,046.00	10,24,048.00

**Note 20 -** 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.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 21 -** The current year's Grant-in-Aid disclosed in the Income & Expenditure Account ₹ 1,10,57,700/- (Previous year ₹ 58,42,006/-) is net of ₹ Nil (Previous Year ₹ 11,57,994/-) being the excess of the amount of eligible Grant claimed by the Council and the amount finalized by the Government.

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

(i) Grant under Market Access Initiative :

	<b>2013-2014</b> ₹	<b>2012-2013</b> ₹
Amount received during the year	1,69,37,700.00	62,80,000.00
<b>Total -</b>	<b>1,69,37,700.00</b>	62,80,000.00
Less :Amount refunded during the year	59,60,000.00	62,80,000.00
Less :Amount Carried Forward to next year	60,00,000.00	—
<b>Total -</b>	<b>1,19,60,000.00</b>	62,80,000.00
Amount Transferred to Export Promotion Expenses A/c <b>(A)</b>	<b>49,77,700.00</b>	—

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

	<b>2013-2014</b> ₹	<b>2012-2013</b> ₹
Opening Balance of un-utilized Grant-in-Aid (2010-11)	-	15,22,900.00
Opening Balance of Grant Receivable (2011-12)	-	(11,87,000.00)
Add :Amount received during the year	<b>63,00,000.00</b>	1,41,38,000.00
<b>Total -</b>	<b>63,00,000.00</b>	1,44,73,900.00
Less :Amount refunded during the year		86,31,894.00
Less :Amount transferred to MDA for Reimbursement to Individual Exporters	<b>2,20,000.00</b>	-
<b>Total -</b>	<b>2,20,000.00</b>	58,42,006.00
Amount Transferred to Export Promotion Expenses A/c <b>(B)</b>	<b>60,80,000.00</b>	58,42,006.00
Total amount transferred Export Promotion Expenses A/c <b>(A + B)</b>	<b>1,10,57,700.00</b>	58,42,006.00

## NOTES TO THE FINANCIAL STATEMENTS

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

	<b>2013-2014</b> ₹	<b>2012-2013</b> ₹
Opening Balance (receivable)/payable	<b>19,99,199.00</b>	62,43,247.45
Add :Amount received during the year	<b>93,30,000.00</b>	88,30,000.00
Add :Amount transferred from MDA (Excluding for Individual Exporters)	<b>2,20,000.00</b>	-
<b>Total -</b>	<b>1,15,49,199.00</b>	1,50,73,247.45
Less:Claims of Individual Exporters paid during the year	<b>57,67,006.00</b>	80,40,000.45
Less:Refunded during the year	-	50,34,048.00
Closing Balance (receivable)/payable	<b>57,82,193.00</b>	19,99,199.00

**Note 22 -** The Council has incurred expenditure, collected contributions from affected Members for Anti-Dumping/Subsidy proceedings initiated by Turkey. The proceedings have not been concluded and further expenses/collections are expected. Therefore the net amount of ₹ 39,22,314.88 has been carried forward to the next year and disclosed under Note No.4 – Other Current Liabilities.

#### Anti-Dumping/Subsidy Proceeding by Turkey :

	<b>2013-2014</b> ₹	<b>2012-2013</b> ₹
<b>(A)</b> Expenditure incurred during the year	35,77,685.12	-
<b>Total Expenditure -</b>	35,77,685.12	-
<b>(B)</b> Collections from affected Members during the year	75,00,000.00	-
<b>Total Collections -</b>	75,00,000.00	-
<b>(C)</b> Balance carried forward to next year	39,22,314.88	-

**Note 23 -** 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 TO THE FINANCIAL STATEMENTS

**Note 24 -** a) Details of expenses incurred in Foreign Exchange during the year :

PARTICULARS	2013-2014 ₹	2012-2013 ₹
Inter textile Shanghai Apparel Fabrics (ITSA), China	34,45,578.00	—
Anti Dumping Investigation Expenses, Turkey	6,17,450.00	—
8 <sup>th</sup> Cambodia Import-Export & One Province One Product Exhibition, Phnom Penh, Cambodia	23,77,036.00	—
High Level Textile Delegation to Romania	1,16,650.00	—
Jeddah International Trade Fair (JITF), Saudi Arabia	43,57,408.00	—
Indian Textile Exhibitions, Bogota & Medellin in Colombia	36,88,686.00	—
Preview in Seoul in South Korea	9,62,798.00	—
Intexpo, Iran	65,90,662.00	—
Subscription to Publications & Ex-Imp Data	36,780.00	—
39 <sup>th</sup> Federal Trade Fair for Apparel & Textile, Russia	—	18,20,923.00
Intexpo, Dhaka, Bangladesh	—	11,61,951.26
Intexpo, Nigeria & Togo	—	44,73,866.00
Intexpo, Karachi & Lahore, Pakistan	—	63,38,761.00
Intexpo, Philippines	—	15,20,192.00
High Level Textile Delegation, Iran	—	43,570.00
JFW International Fashion Fair, Tokyo, Japan	—	1,47,378.51
<b>TOTAL -</b>	<b>2,21,93,048.00</b>	<b>1,55,06,641.77</b>

b) Details of earnings in Foreign Exchange during the year :

PARTICULARS	2013-2014 ₹	2012-2013 ₹
Refund received in respect of ITE, Colombia & Ecuador	—	3,64,461.52
<b>TOTAL -</b>	<b>—</b>	<b>3,64,461.52</b>

**Note 25 -** 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 ₹ 2,14,344.64 (Previous Year ₹ 2,18,410.64).

**Note 26 -** Previous years figures have been regrouped wherever necessary so as to make them comparable with those of current year.



## NOTES TO THE FINANCIAL STATEMENTS

### Note 27 - Significant Accounting Policies :

#### I. Method of Accounting Employed :

- A. The Council follows accrual system of accounting.
- B. Export Award Expenses 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.

#### 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 the amended rates prescribed by Schedule XIV in the Companies Act, 1956.

#### IV. Treatment of Employee Benefit :

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

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

##### a) Defined Contribution Plans :

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

##### b) Defined Benefit Plans :

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

#### V. Foreign Currency Transactions :

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

#### VI. Government Grants :

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

Signatures to Notes 1 to 27

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

(N.P. JHAVERI)  
Proprietor

Mumbai, 5<sup>th</sup> August, 2014

Chairman

Vice-Chairman

Former Chairman

Executive Director



## **ANNEXURE - A**

### **STATEMENT SHOWING THE HEADS OF ACCOUNT UNDER WHICH THE EXPENDITURE HAS BEEN IN EXCESS OF THE BUDGET PROVISION DURING THE YEAR 2013-14**

Sr.No.	Heads of Accounts	Sanctioned Budget 2013-2014 ₹	Actual Expenditure 2013-2014 ₹	Excess Expenditure 2013-2014 ₹
	<b>TOTAL -</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(Excess Expenditure comes to ₹ Nil)



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# MEETINGS/SEMINARS



Hon'ble Union Minister of Finance, Shri P. Chidambaram speaking during Interactive Meeting in Mumbai



Dr. Kavuru Sambasiva Rao interacting with the representatives of Textile Export Promotion Councils/Associations in Mumbai



Interactive Meeting in progress. Seen in picture from l to r Shri Sri Narain Aggarwal, Regional Chairman, SRTEPC; Ms. Darshana Jardosh, Loksabha MP of Gujarat; Shri A. B. Joshi, Textile Commissioner; Dr. Kavuru Sambasiva Rao, Hon'ble Union Minister of Textiles; Ms. Sunaina Tomar, Joint Secretary and Shri Rakesh Mehra, Chairman, SRTEPC.



Meeting with Ms. Monika Garg, Joint Secretary in progress



Chief Guest, Shri Sujit Gulati, Joint Secretary, Ministry of Textiles (third from left), speaking at the Seminar. Others on the dais are (from left to right) Shri S. N. Modani, Managing Director, Sangam India Ltd., Shri S. S. Das, Director, Ministry of Textiles; Shri Vinod K. Ladia, immediate past Chairman of the Council; Shri Rakesh Mehra, Chairman of the Council & Shri S. P. Nathany, Hon. Secretary General, MCCCI.



Shri Rakesh Mehra, Chairman, SRTEPC addressing the Seminar in Varanasi. Others on the dais are (from left to right) Shri Ratandeep Aggarwal, Secretary General EUPEA; Shri Amitabh Singh, President, EUPEA; Shri Ganesh Kumar Gupta, former Chairman, SRTEPC; Shri R. L. Toshniwal, former Chairman, SRTEPC; Shri Sanjeev Saran, former Chairman, SRTEPC.



Shri Rakesh Mehra, Chairman, SRTEPC addressing the Seminar in Surat. Others on the dais are (from left to right) Shri Sri Narain Aggarwal, Regional Chairman, SRTEPC; Shri Kamlesh Yagnik, President, SGCCI; Shri Sanjeev Saran, former, Chairman, SRTEPC; Shri Anil Rajvanshi, Vice Chairman, SRTEPC; Shri Arvind Jariwala, Chairman, SACMA & Shri Mignesh Parekh, Chairman, KAMMA Institute



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