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ANNUAL REPORT
2018-2019

CONFEDERATION OF INDIAN TEXTILE INDUSTRY



CITI DIAMOND JUBILEE CELEBRATIONS

GLOBAL TEXTILES CONCLAVE 2018



Chief Guest
Shri M. Venkaiah Naidu
Hon'ble Vice President of India

Guest of Honour
Smt. Smriti Zubin Irani
Hon'ble Union Minister of Textiles



CONFEDERATION OF INDIAN TEXTILE INDUSTRY

(Formerly known as The ICMF)

Member Associations with areas served by them

The Southern India Mills' Association, Coimbatore

(The States of Tamil Nadu, Andhra Pradesh, Karnataka and Kerala and the Territories of Pondicherry, Karaikal, Mahe and Enam)

The Northern India Textile Mills' Association, New Delhi

(Delhi, Punjab, Haryana, Himachal Pradesh and Jammu & Kashmir)

The Millowners' Association, Mumbai

(The State of Maharashtra excluding Nagpur and Vidarbha Region and the State of Goa)

The Ahmedabad Textile Mills' Association, Ahmedabad

(Ahmedabad, Surat, Viramgam, Nadiad, Kalol and the Cambay areas of the State of Gujarat)

The Rajasthan Textile Mills Association, Jaipur

(The State of Rajasthan)

The Madhya Pradesh Textile Mills Association, Indore

(The State of Madhya Pradesh)

Spinners Association (Gujarat), Rajkot

(Gujarat state where its members operate)

The Maharashtra Mofussil Mills' Association, Nagpur.

(Nagpur and Vidarbha Regions of the State of Maharashtra)

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Indian Spinners' Association, Mumbai
Textile Machinery Manufacturers' Association
Denim Manufacturers Association
Tiruppur Exporters' Association
Indian Cotton Association Ltd.

Affiliate Member

Federation of Hosiery Manufacturers' Association of India (FOHMA)

Corporate Members

National Textile Corporation Limited
S. Kumars Limited
Vardhman Textiles Limited
Welspun India Limited
Indo Rama Synthetics (I) Limited
Kotak Ginning & Pressing Industries Limited
Arvind Limited
Trident Limited
NSL Textiles Limited

Rieter India Private Limited
Aarti International Limited
Nahar Industrial Enterprises Limited
RSWM Limited (LNJ Bhilwara Group)
Sakku Spinning Mills Limited
Grasim Industries Limited
Raymond Luxury Cottons Limited
D'Decor Home Fabrics Private Limited
Sutlej Textiles and Industries Limited

CONFEDERATION OF INDIAN TEXTILE INDUSTRY

(Formerly known as The ICMF)

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1. Overview of Global Economy

As per World Bank estimates, the nominal world GDP was \$84,835.46 billion in 2018 and it's projected to be \$88,081.13 billion in 2019. In 2018, the growth rate for the world GDP was 3.6%.

Based on UN and IMF figures, the United States has the largest GDP in the world at \$20.4 trillion (IMF) and \$18.6 trillion (UN). The second-largest GDP is China's at \$14.1 trillion (IMF) and \$11.2 trillion (UN). Japan, Germany and the United Kingdom make up the rest of the top five countries with the largest GDPs at \$5,167,050, \$4,211,640 and \$2,936,290 trillion (US\$), respectively (based on IMF figures).

As per the World Economic Outlook, July 2019, global growth is forecasted **at 3.2 percent in 2019, picking up to 3.5 percent in 2020** (0.1 percentage point lower than in the April WEO projections for both years). Investment and demand for consumer durables have been subdued across advanced and emerging economies as firms and households continue to hold back on long-term spending.

Against a difficult backdrop that included intensified US-China trade and technology tensions as well as prolonged uncertainty on Brexit, momentum in global activity remained soft in the first half of 2019. Recently United States of America have further increased tariffs on certain Chinese imports and China retaliated by raising tariffs on a subset of US imports.

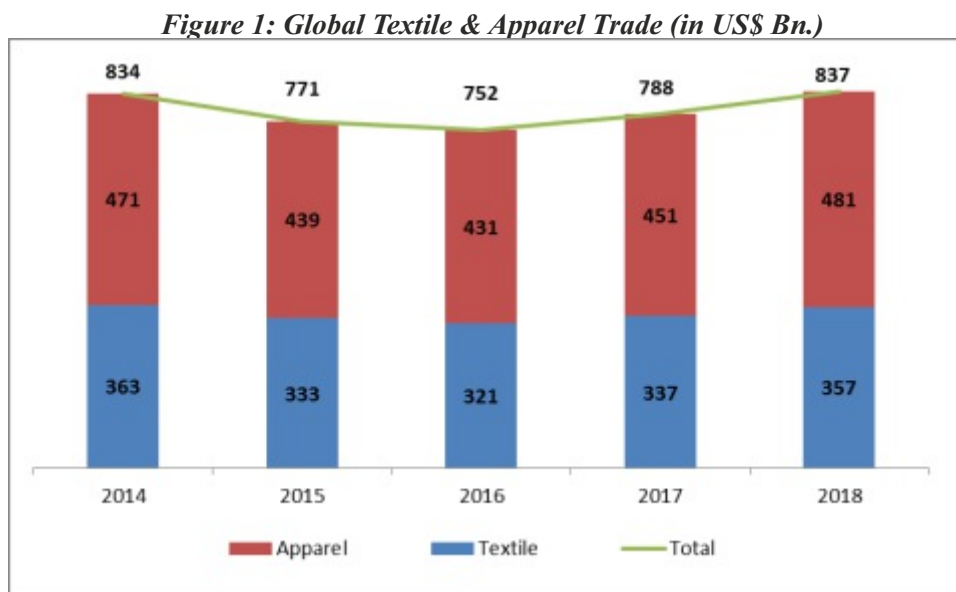
Risks to the forecast are mainly to the downside. They include further trade and technology tensions that dent sentiment and slow investment; a protracted increase in risk aversion that exposes the financial vulnerabilities continuing to accumulate after years of low interest rates; and mounting disinflationary pressures that increase debt service difficulties, constrain monetary policy space to counter downturns, and make adverse shocks more persistent than normal.

The pressing needs include reducing trade and technology tensions and expeditiously resolving uncertainty around trade agreements (including between the United Kingdom and the European Union and the free trade area encompassing Canada, Mexico, and the United States). Specifically, countries should not use tariffs to target bilateral trade balances or as a substitute for dialogue to pressure others for reforms.

2. Overview of Global Textile & Apparel Industry

2.1. Global Trade of Textile & Apparel

In 2018, global textile and apparel trade stood at US\$ 837 billion and it has increased at a CAGR of 0.1% since 2014. Apparel has a share of 57% while textiles contribute to a share of 43% in the total textile and apparel trade of 2018 as shown in figure 1.



Source: ITC Trade Map

There was a 3% decline in textile & apparel trade in 2016 compared to 2015 owing to stifled global economic scenario. However, the trade increases in 2017 again and in 2018 trade showed a positive growth of 6% as compared to 2017.

2.1. Major Importers of Textiles & Apparels Globally

EU-28 and USA are the largest importers of T&A commodities and their imports have increased at a CAGR of 1% since 2014. Countries like China & HK, Japan and Russia and have seen a decline in the T&A imports over the last five years as shown in table 1.

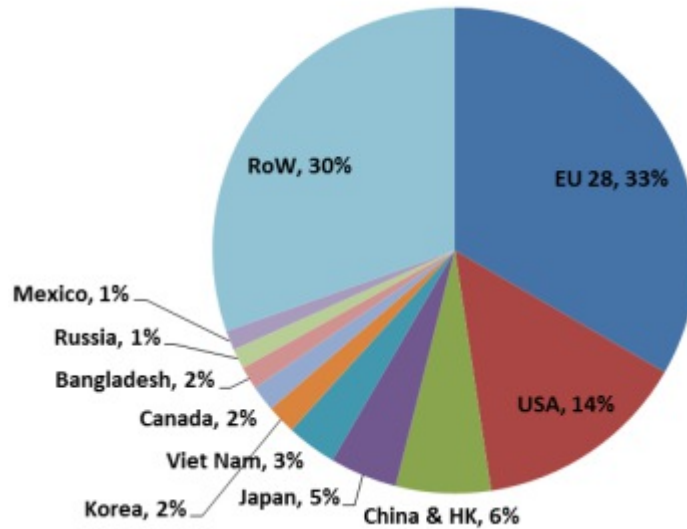
Table 1: Top markets of Textile & Apparel (US\$ Bn.)

S No	Country	2014	2015	2016	2017	2018	CAGR
1	EU 28	269	241	247	260	279	1.0%
2	USA	115	120	113	114	119	1.0%
3	China & HK	61	55	48	50	53	-3.3%
4	Japan	39	35	35	35	38	-0.6%
5	Viet Nam	15	15	16	18	28	17.7%
6	Korea	14	14	14	14	16	3.5%
7	Canada	14	14	13	14	14	0.8%
8	Bangladesh	10	12	10	12	13	6.4%
9	Russia	12	8	8	10	11	-2.5%
10	Mexico	10	11	10	10	11	1.5%
	RoW	275	246	236	252	254	-2.0%
	Total	834	771	752	788	837	0.1%

Source: ITC Trade Map 1

The top 10 markets enjoy a share of 70% in the global T&A imports. EU-28 has maintained the top position with 33% share in total T&A imports in 2018, followed by USA with a share of 14% as shown in figure 2

Figure 2 : Share of top markets in Global T&A import in 2018



Source: ITC Trade Map

2.3. Major Exporters of Textile & Apparel Globally

China & HK has maintained the top position with 34% share in 2018, its T&A exports have declined by a CAGR of 2.5% since 2014. In 2018, India slipped by 3 places from its position of 2nd largest T&A exporter in 2017 to become 5th largest T&A exporter with 4.4% share in global textile & apparel exports as shown in table 2.

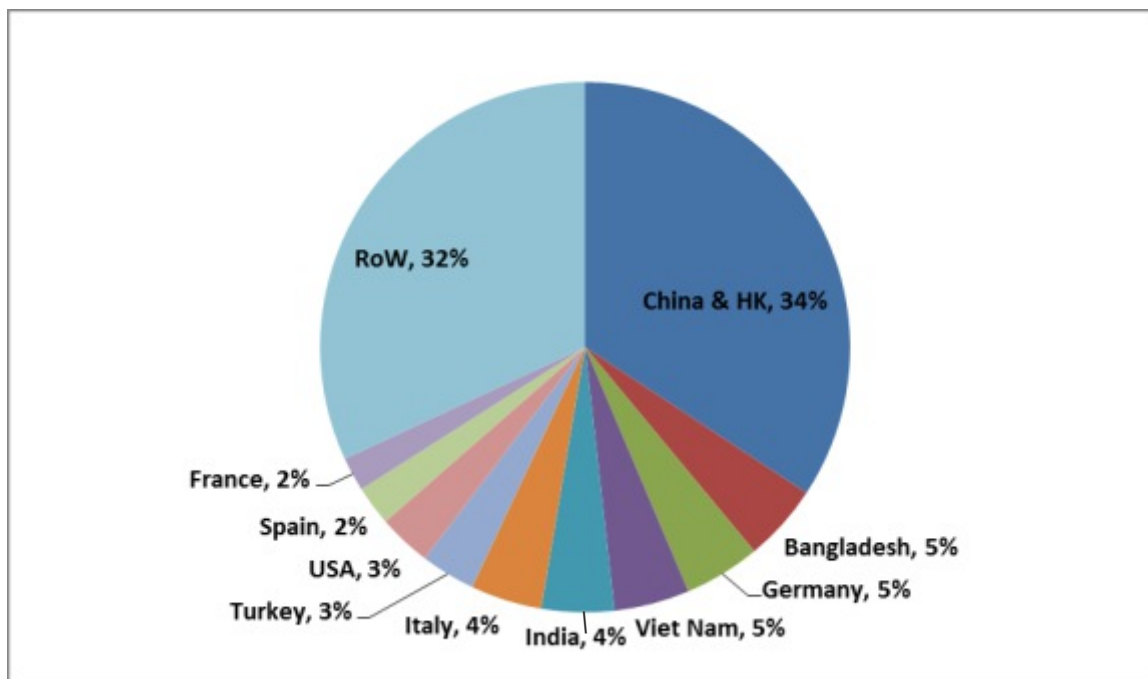
Table 2: Largest Exporters of Textile & Apparel (in US\$ Bn.)

S No	Country	2014	2015	2016	2017	2018	CAGR
1	China & HK	317	300	276	279	287	-2.5%
2	Bangladesh	28	28	34	36	39	9.0%
3	Germany	38	32	33	36	39	0.8%
4	Viet Nam	25	27	29	32	38	11.1%
5	India	39	37	35	37	37	-1.0%
6	Italy	37	32	32	34	36	-0.7%
7	Turkey	29	26	26	27	28	-1.3%
8	United States of America	26	25	24	26	27	0.9%
9	Spain	17	16	17	19	20	4.4%
10	France	17	15	15	16	17	1.3%
	RoW	261	233	231	248	267	0.6%
	World	834	771	752	788	837	0.1%

Source: ITC Trade Map

The top 10 exporting countries enjoy a share of 68% in the global T&A exports as shown in figure 3.

Figure 3: Share of Exporters in Global Export of T&A Products in 2018



Source: ITC Trade Map

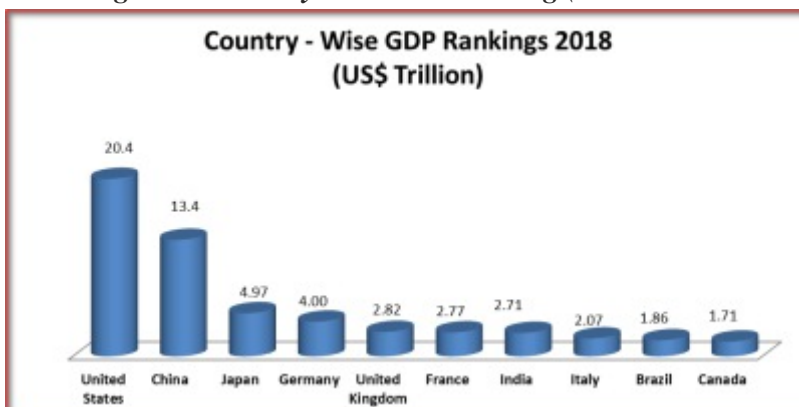
China has successfully leveraged its low manufacturing cost and large-scale infrastructure to achieve notable share of 34% in the global textiles and apparel trade followed by Bangladesh, Germany and Vietnam each with a share of ~5%.

It is worth noting that many major exporting nations do not have presence of the entire value chain. Bangladesh and Vietnam having 2nd and 4th position respectively in global textile & apparel exporters list, have negligible presence in textiles trade and are major apparel exporters. Similarly, Korea is more focused on exports of textiles.

3. Overview of Indian Economy

India is the seventh largest economy in terms of Gross Domestic Product (GDP) and continues to remain the fastest growing major economy in the world in 2018-19 as shown in figure 4. On the other hand, the world output growth declined from 3.8 per cent in 2017 to 3.6 per cent in 2018.

Figure 4 : Country Wise GDP Ranking (US\$ Trillion)



Source: IMF's World GDP Ranking 2018

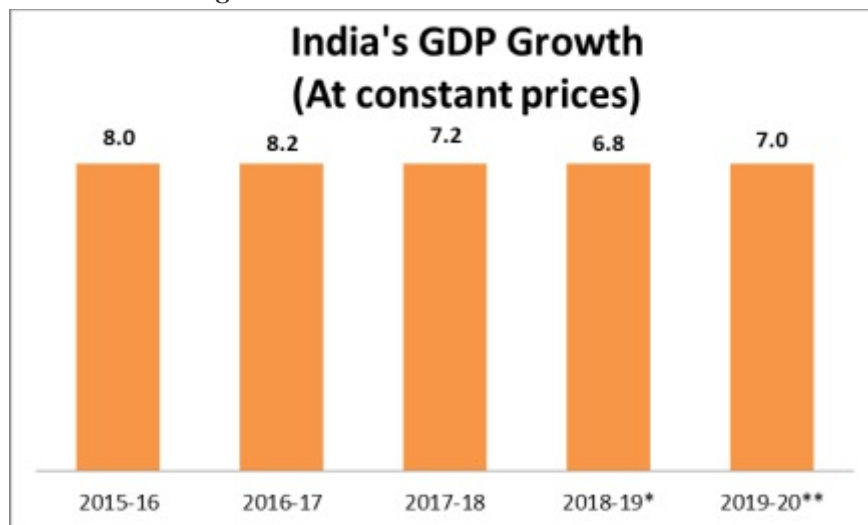
The contribution of the Indian economy to the GDP of **Emerging Market and Developing Economies (EMDEs)** and world economy has increased consistently over the years. India forms part of 30 per cent of the global economy, whose growth is not projected to decline in 2019.

In EMDEs group, India and China are the major drivers of growth. The global economy—in particular the global growth powerhouse, China—is rebalancing, leading to an increasing role for India. Hence, India's contribution has become much more valuable to the global economy.

3.1. Indian Economy – Macro View

India's growth of real GDP has been high with average growth of 7.5 per cent in the last 5 years (2014-15 onwards) as shown in figure 5, despite a slight moderation in its GDP growth from 7.2 per cent in 2017-18 to 6.8 per cent in 2018-19.

Figure 5 : India's GDP at Constant Prices



Source: Economic Survey 2018-19; * Provisional Estimates ** Projected Estimates

The general index for 2018-19 stood at 129.8, 3.6 per cent higher than previous year general index as shown in table 3. Indices of manufacturing of textiles and manufacture of wearing apparels had increased by 1.2 and 12.2 per cent respectively when compared to previous year's levels.

Table 3 : NIC Sectoral IIPs

Sector	Weight	2014-15	2015-16	2016-17	2017-18	2018-19
General	100	111.0	114.7	120.0	125.3	129.8
Manufacture of textiles	3.2913	116.9	119.4	117.4	117.1	118.5
Manufacture of Wearing Apparels	1.3225	114.4	131	151.7	137.5	154.3

Source: Ministry of Statistics & Programme Implementation

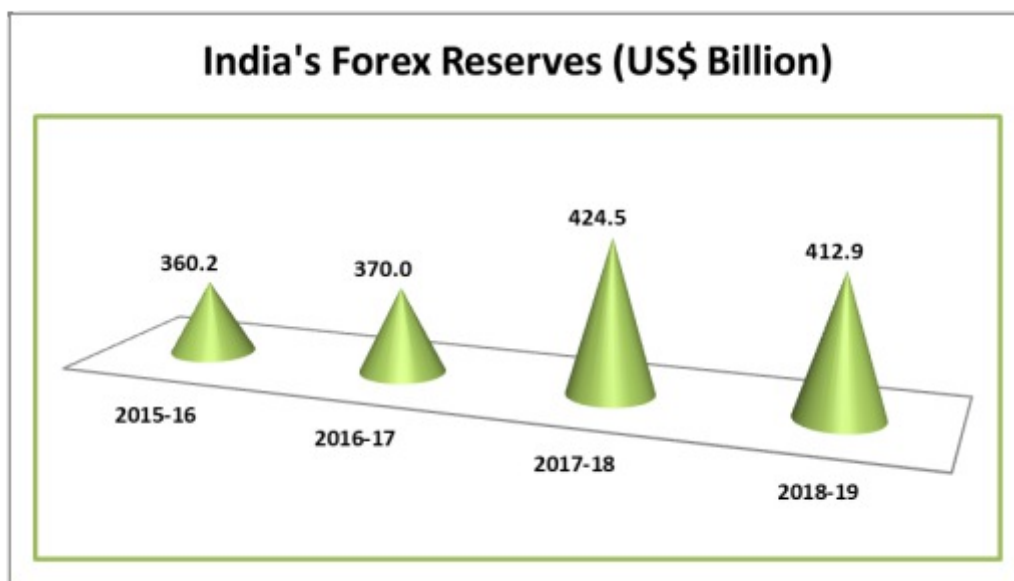
On the external front, current account deficit (CAD) increased from 1.9 per cent of GDP in 2017-18 to 2.6 per cent in April- December 2018. The widening of the CAD was largely on account of a higher trade deficit driven by rise in international crude oil prices (Indian basket). The trade deficit increased from US\$ 162.1 billion in 2017-18 to US\$ 184 billion in 2018-19.

Nominal growth of both merchandise exports and imports declined in US dollar terms in 2018-19, as compared to 2017-18. However, the decline was much sharper in merchandise imports, which reduced from 21.1 percent to 10.4 percent.

Rupee depreciated by 7.8 percent vis-à-vis US dollar, 7.7 percent against Yen, and 6.8 percent against Euro and Pound Sterling in 2018-19. During 2018-19, Indian rupee traded with a depreciating trend against US dollar and touched Rs 74.4 per US dollar in October 2018 before recovering to Rs 69.2 per US dollar at end March 2019.

The foreign exchange reserves in nominal terms (including the valuation effects) decreased by US\$ 11.6 billion at end-March 2019 over end-March 2018. India's foreign exchange reserves continue to be comfortably placed at US\$ 422.2 billion, as on 14th June 2019, as shown in figure 6.

Figure 6 : India's Forex Reserve (US\$ Bn)



Source: Economic Survey 2018-19

Net Foreign Direct Investment (FDI) inflows grew by 14.2 percent in 2018- 19. Among the top sectors attracting FDI equity inflows, services, automobiles and chemicals were the major categories. During 2018-19, India received the maximum FDI equity inflows from Singapore (US\$ 16.23 billion), followed by Mauritius (US\$ 8.08 billion), Netherlands (US\$ 3.87 billion), USA (US\$ 3.14 billion), and Japan (US\$ 2.97 billion). By and large, FDI inflows have been growing at a high rate since 2015-16.

3.2. Present Status of the Economy

During the Q1 of FY 2019-20, India witnessed its slowest GDP growth since 2013 and grow at 5% as compared to China's growth at 6.2%. This is only the second instance since December 1999 that the GDP growth rate has fallen for five straight quarters. It is due to subdued economic activity in different sectors. During the same time frame, private spending grew at 3.1% which is one of the lowest rates since the new national accounts series began in 2012. Investments (gross fixed capital formation) grew at 4%, which reflects poor sentiment among investors and big companies. At the same time, Government expenditure grew at a faster rate than the economy.

Manufacturing sector showed stagnation and grew at just 0.6% as compared to 3.1% in the Q4 of 2018-19. Its share in GDP has also come down to 15.3% in Q1 of 2019-20 as compared to 16.2% during the same time period of 2018-19. The government's flagship programme, "Make in India", aims to increase this share to 25% by 2022. India's fiscal deficit crossed 77% of the annual target for 2019-20 in July. Fiscal deficit till July stood at Rs.5,47,605 crore, against a target of Rs.7,03,760 crore for the full financial year 2019-2020. There are both structural and cyclical issues that are plaguing the Indian economy. Also, as per the latest data released by Finance Ministry, India's GST collection in August dropped to Rs 98,202 crore from over Rs 1.02 lakh crore in the previous month showing a decline in sales. While the labor force survey, released by the government in July, showed a record high unemployment rate of 6.1 per cent for 2017-18. The RBI consumer confidence survey showed a drop in consumer confidence for July over pessimist situation in job creation and overall economic scenario. Low consumer demand has negatively affected production in the automobile and allied sectors, as well as consumer goods. A persisting liquidity crisis in the micro, small and medium enterprises (MSME) added to the manufacturing sector's woes. The MSME sector accounts for 30% of the country's GDP, anchoring 45% of total industrial production. It also made up 48.1% of total exports in 2018-19.

The slowdown is a result of a global economic downturn especially, from global headwinds due to deceleration in developed economies, Sino-American trade conflict etc. A slowdown in global growth has adversely affected export demand, and given ongoing trade wars, the situation looks unlikely to change.

In view of the above, the government has embarked on a series of stimulus measures aimed at bolstering growth, including the rollback of a tax surcharge on overseas investors, improved credit flow, transmission of lower interest rates and relaxations in foreign direct investment (FDI) norms. In a move that will help the Centre bridge its fiscal deficit, the Central Board of the Reserve Bank of India decided to transfer a staggering ₹1,76,051 crore as surplus transfer to the government for 2018-19.

3.3. Drivers of Growth

- **Private Final Consumption Expenditure (PFCE)**

Consumption has always been a strong and major driver of growth in the economy. Within total final

consumption, it is the private final consumption expenditure that has a major share (close to 60%) in the economy's GDP. Growth in private final consumption expenditure (PFCE) increased to 8.1 percent in 2018-19. Although the share of private consumption in GDP remains high, the pattern of consumption has undergone some change over time – from essentials to luxuries and from goods to services.

- **Government Final Consumption Expenditure (GFCE)**

The second component of consumption is the government final consumption expenditure (GFCE). Growth of GFCE decelerated from 15.0% in 2017-18 to 9.2% in 2018-19. GFCE comprises government's (revenue) expenditure on compensation of employees, net purchase of goods and services and consumption of fixed capital.

- **Investment**

The third major component of demand is investment. Investment (Gross Capital Formation) accounts for nearly 32 percent of GDP, within which fixed investment (Gross fixed capital formation) accounts for about 29 percent of GDP.

At the sectoral level, investment rates have been declining since 2011-12. In year 2011-12, industry sector had the highest investment rate, followed by services, whereas the agriculture sector had investment rate much less than half of that of services. Decline in investment rate and fixed investment rate since 2011-12, seems to have bottomed out with some early signs of recovery since 2017-18.

Green shoots in the investment activity appear to be taking hold as also seen in the pickup in credit growth to industry. Credit to, both, large and micro, small & medium enterprises has seen pickup in growth.

- **Net Exports**

The fourth component of demand is net exports. Exports are the external component of demand of domestic goods, and imports are a leakage of income of the country for demand of products from other countries. The contribution of exports and imports to GDP would matter in rupee terms for national accounting purposes rather than US dollar. While the growth of both export and import declined in US\$ terms, it increased in rupee terms (at current prices) in 2018-19. This happened due to the depreciation of rupee vis-à-vis US dollar in 2018-19,

As India is a net importer, net exports are always negative. However, the growth contribution of net exports is positive in many years. In 2018-19, there was improvement in contribution of net exports to GDP growth, owing to higher growth of exports and lower growth of imports at constant prices as compared to previous year. Going forward, the prospects of export growth are dependent on the impact of rising trade protectionism and effectiveness of export promotion measures of the Government.

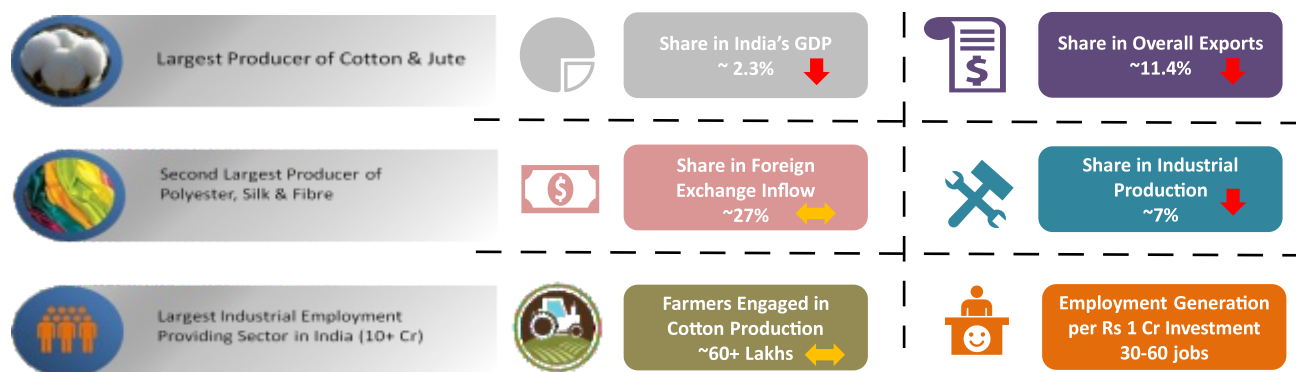
3.4. Supply Side of the Economy

Gross Value Added (GVA), reflects the supply or production side of the economy to which net indirect taxes on products are added to get GDP at market prices. Growth of GVA reflected a decline in economic activity, registering a growth of 6.6 per cent in 2018-19, lower than 6.9 per cent in 2017-18.

4. Snapshot of Indian Textile & Apparel Industry

India's T&A industry is one of the biggest drivers of economic growth. It can play a vital role in supporting the Government to achieve its ambitious target of US\$ 5-Trillion Economy by next five years and providing employment to masses. **The Industry is not looking for any incentives or subsidies, it just needs a level playing field.**

Figure 7 : Snapshot of India's Textile & Apparel Industry



Source: National Investment Promotion & Facilitation Agency and Ministry of Textiles

India's Export of Textile & Apparel (T&A)

India's Export	Value (US\$ Bn)		Global Ranking	
	2017	2018	2017	2018
Textiles	19.9	21.4	3 rd	3 rd
Apparels	17.3	15.7	6 th	6 th
T&A Combined	37.2	37.1	2nd	5th

Source: ITC Trade Map



Export/Import of Textile & Apparel (US\$ Bn.)

Particular	2014-15	2018-19	% Change
Exports	37.7	37.5	- 0.4%
Imports	6.0	7.4	22.8%

Source: DGCI&S



5. Overview of Indian Textile & Apparel Industry

Indian textile industry is one of the largest in the world with a large manufacturing base and strength across the entire value chain. Contributing to around 11.4% in total India's export during 2018-19, the T&A sector is the second largest employer after agriculture providing direct and indirect employment to about 10+ crore people.

Indian textile and apparel market is currently estimated at US\$ 150 Bn. The domestic consumption of textiles and apparel constitutes approximately 75% of the total market size while exports account for the rest 25%. In terms of global ranking of 2018, India is ranked 3rd in textile exports with 6% share and 6th in apparel export with 3.3% share. Overall, India slipped to 5th position with 4.4% share in global exports in 2018 as compared to 2nd position in 2017. India's textile and apparel exports were US\$ 37.5 billion in 2018-19 and have grown at a CAGR of 7% since 2004-05.

Apparel also plays a critical role in improving social dynamics as mostly women are employed in the sector. Above all, the backward linkages of the sector to the rural economy give huge opportunities to millions of farmers, artisans, handloom and handicraft manufacturers. The sector is perfectly aligned with Government's key initiatives viz., Make in India, Skill India, Women Empowerment and Rural Youth Employment

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route. The industry attracted Foreign Direct Investment worth US\$ 3.09 billion during 2000-01 to 2018-19.

Mauritius, Cyprus, Canada, Japan, and USA are the top foreign countries which have invested in India's textile & apparel sector.

5.1. Central Government Schemes for Textile Industry

Government of India has launched various support schemes for textile and apparel manufacturers to make them globally competitive. These schemes target technology up gradation, infrastructure development, export promotion, skill development etc. A summary of the major Central Government schemes currently being implemented by Ministry of Textiles is given below

Table 4 : Various Central Government Schemes for Textile & Apparel Sector

Scheme/Policy	Key features
Scheme for Capacity Building under SAMARTH	<p>Scheme is aimed to train 10 lakh people in a span of 3 years starting from 2017-18</p> <ul style="list-style-type: none">· Scheme has an outlay of Rs 1300 crore· Applicable for entire textile value chain except spinning & weaving

¹Source: Ministry of Textiles, Department of Industrial Policy and Promotion

Scheme/Policy	Key features
Knitting & Knitwear Sector under Powertex India	<p>Government will provide financial assistance for each:</p> <ul style="list-style-type: none"> Creation of New Service centers on PPP model by Industry/Associations in the Knitting and Knitwear clusters. Group Work shed Scheme for Knitting and Knitwear units. Yarn Bank Scheme for Knitting & Knitwear units Common Facility Centre (CFC) Scheme for Knitting and knitwear units. Pradhan Mantri Credit Scheme for Knitting and Knitwear units Facilitation, IT, Awareness, Studies, Surveys, Market Development and Publicity for Knitting and Knitwear Units
Powertex Scheme for Power looms	<p>Government will provide financial assistance for each:</p> <p>Up gradation of Plain Power looms</p> <ul style="list-style-type: none"> Group Work shed Scheme Yarn Bank Scheme Common Facility Centre Pradhan Mantri Credit Scheme for Power loom Weavers Solar Energy Scheme for Power looms Facilitation, IT, Awareness, Market Development and Publicity for Power loom Schemes Tex Venture Capital Fund Grant-in-Aid and Modernization & Up gradation of Power loom Service Centers (PSCs)
Scheme for development of Silk Industry "SAMAGRA"	<p>Fund allocation of Rs. 2,161.68 cr for:</p> <ul style="list-style-type: none"> Research & Development, Training, Transfer of Technology and IT Initiatives Seed Organizations Coordination and Market Development Quality Certification Systems (QCS) / Export Brand Promotion and Technology Up gradation
Amended Technology Up gradation Funds Scheme (ATUFS)	<p>Under the scheme, Government provides capital subsidy on eligible machinery as follows:</p> <ul style="list-style-type: none"> 15% capital subsidy on eligible machinery in garmenting and technical textile sector with a cap of Rs. 30 Cr. per individual entity

Scheme/Policy	Key features
	<ul style="list-style-type: none"> 10% capital subsidy on eligible machinery in weaving for brand new shuttle less looms (including weaving preparatory and knitting), processing, jute, silk and handloom sector with a cap of Rs. 20 Cr. per individual entity 15% capital subsidy on eligible machinery for composite units with a cap of Rs. 30 Cr. per individual entity (if the eligible capital investment in respect of garmenting and technical textiles is more than 50% of the project cost) 10% capital subsidy on eligible machinery for composite units with a cap of Rs. 20 Cr. per individual entity (if the eligible capital investment in respect of garmenting and technical textiles is less than 50% of the project cost)
Integrated Wool Development Programme (IWDP)	Scheme for the development of wool across different wool producing states with total budget allocation of Rs 112 Cr
Interest Equalization Scheme	Interest Subvention Rate @ 3% for manufacturers exporting Handicrafts, Carpet, Handlooms, Small & Medium Enterprises, Readymade Garments, Made-ups Additional sectors: Fabrics, Coir & Coir Products, Jute & Jute Products
Market Development Assistance (MDA)	Financial support to exporters for conducting export promotion activities abroad.
Market Access Initiative (MAI)	<p>An Export Promotion Scheme envisaged to act as a catalyst to promote India's export on a sustained basis and provides assistance as:</p> <ul style="list-style-type: none"> Financial assistance for carrying out marketing projects abroad Assistance for building capacity for exporters, export promotion organizations, etc Assistance on reimbursement basis to exporters for charges/fees paid by them for fulfilling the statutory requirements in the buyer country Assistance for conducting studies Assistance in developing projects leading to substantial improvement in market access

Scheme/Policy	Key features
Scheme for Integrated Textile Parks (SITP)	<p>This scheme is aimed to provide world class infrastructure facilities for setting up their textile units. Under the scheme:</p> <ul style="list-style-type: none"> Grant/Equity up to 40% of the textile park development project cost subject to a ceiling of Rs. 40 Crores. Grant at 90% of the project cost subject to a ceiling of Rs. 40 Crores for first two projects in the States of North East Region of India. Support will be generally in the form of grant to the SPV unless specifically decided by the PAC to be equity. However, the combined equity stake of GOI/State Government/State Industrial Development Corporation, if any, would not exceed 49%.

Source: Ministry of Textiles

Besides the above Central Government Schemes, various State Governments, in order to attract investments in their states, also provide certain incentives under their State Textile Policy such as:

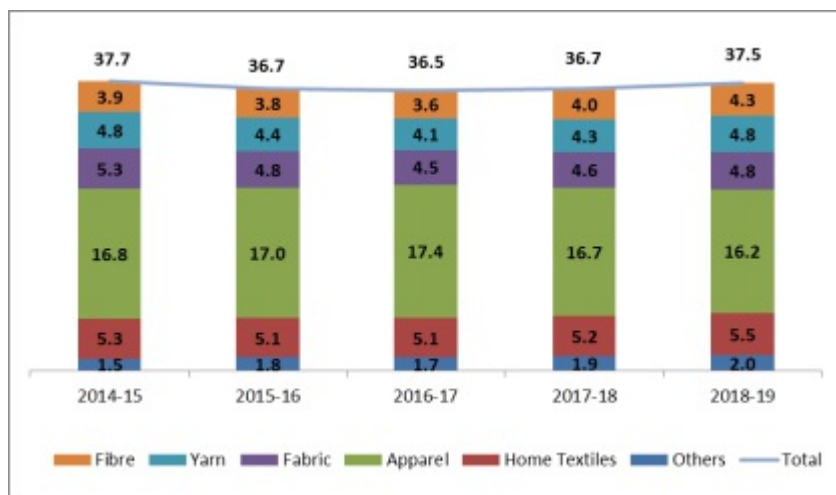
- Capital Subsidy on approved list of Plant & Machinery
- Credit Linked Interest Subsidy
- Power Subsidy
- Stamp Duty Reimbursement
- Tax Reimbursement
- Environment Compliance Related Schemes
- Technology Acquisition and Up-gradation Assistance
- Skill Development & Training subsidy
- Employment Generation Cost Subsidy
- EPF/ESI Re-imbursement
- Various other schemes such as assistance for setting up of dormitory, subsidy for setting up of industrial park, freight subsidy etc.



5.2. India's Exports of Textile & Apparel

Textiles sector is one of the largest contributors to India's exports and it has a share of approximately 11.4% in India's total exports during 2018-19. India's export of textile & apparel exports (Chapter 50 to 63) was US\$ 37.5 billion in 2018-19 as shown in figure 8

Figure 8: India's Export of Textile & Apparel (in US\$ Bn.)

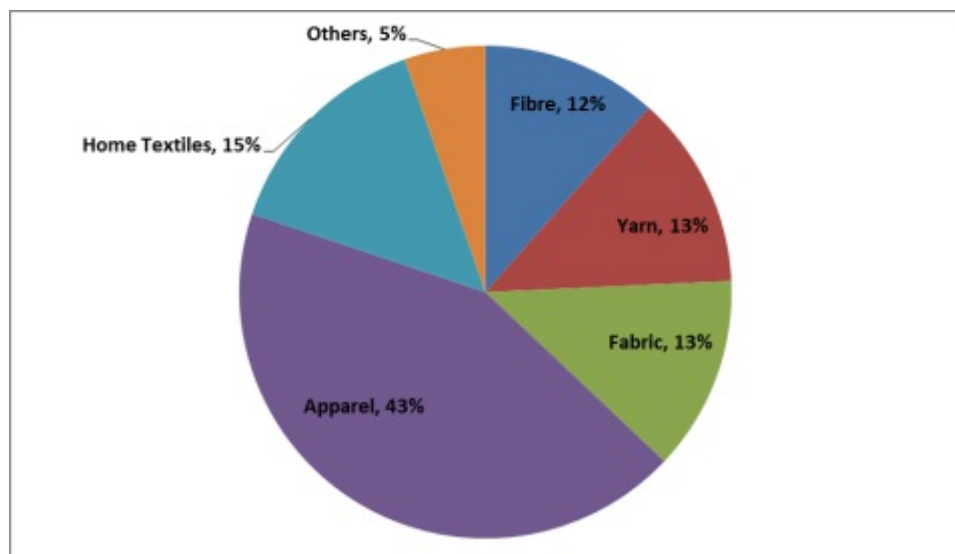


Source: DGCI&S

Apparel has always been the largest exported category from India. Though the textile & apparel exports of India have increased to US\$ 37.5 bn. in 2018-19 from US\$ 36.7 bn in 2017-18, share of apparel in the total T&A exports have reduced from 46% in 2017-18 to 43% during 2018-19.

Category wise share of exports of T&A commodities is shown in figure 9.

Figure 9: Share of Major T&A categories exported in 2018-19



Source: DGCI&S

• **Top 20 categories exported in 2017-18**

The top 20 commodities (HS-4) have a share of 72% of the total textile and apparel exports from India. The exports of these top 20 commodities are given in table 8:

Table 5: India's Top 20 Exported Textile & Apparel Categories (US\$ Million)

#	HS Code	Commodity	Type	FY 15	FY 19	CAGR	Top Markets	% Share
1	5205	Cotton Yarn (Not Sewing Thread) containing 85% or more cotton by weight and not put up for retail sale.	Yarn	3,902	3,806	-0.6%	China & HK	34%
							Bangladesh	19%
							Pakistan	5%
2	6109	T-Shirts, Singlet, Tank Tops Etc, Knit Or Crochet	Apparel	2,810	2,542	-2.5%	USA	22%
							UAE	16%
							Germany	8%
3	6204	Women Or Girls Suits, Ensemble Etc, Not Knit Etc	Apparel	2,671	2,473	-1.9%	USA	26%
							UK	12%
							UAE	8%
4	5201	Cotton, Not Carded Or Combed	Fibre	1,847	2,003	2.0%	Bangladesh	35%
							China & HK	25%
							Pakistan	17%
5	6304	Furnishing Articles Of Textile Materials	Home Textiles	1,716	1,821	1.5%	USA	57%
							UK	5%
							Germany	5%
6	6302	Bed Linen, Table Linen Toilet Linen & Kitchen Linen	Home Textiles	1,406	1,584	3.0%	USA	61%
							UK	5%
							Germany	4%
7	5402	Synthetic Filament Yarn (No Sew Thread), No Retail	Filament	1,131	1,237	2.2%	Turkey	23%
							Brazil	20%
							Bangladesh	6%
8	6206	Women Or Girls Blouses, Shirts Etc Not Knit Etc	Apparel	1,600	1,229	-6.4%	USA	33%
							Germany	11%
							Uk	10%
9	6211	Track Suits, Ski-Suits & Swimwear, Not Knit Etc	Apparel	1,058	1,178	2.7%	USA	30%
							UK	12%
							Spain	7%
10	5208	Woven Cotton Fabrics, Nu 85% Cit, Wt Nov 200 G/M2	Fabric	989	1,122	3.2%	Bangladesh	12%
							Sri Lanka	10%
							Senegal	7%

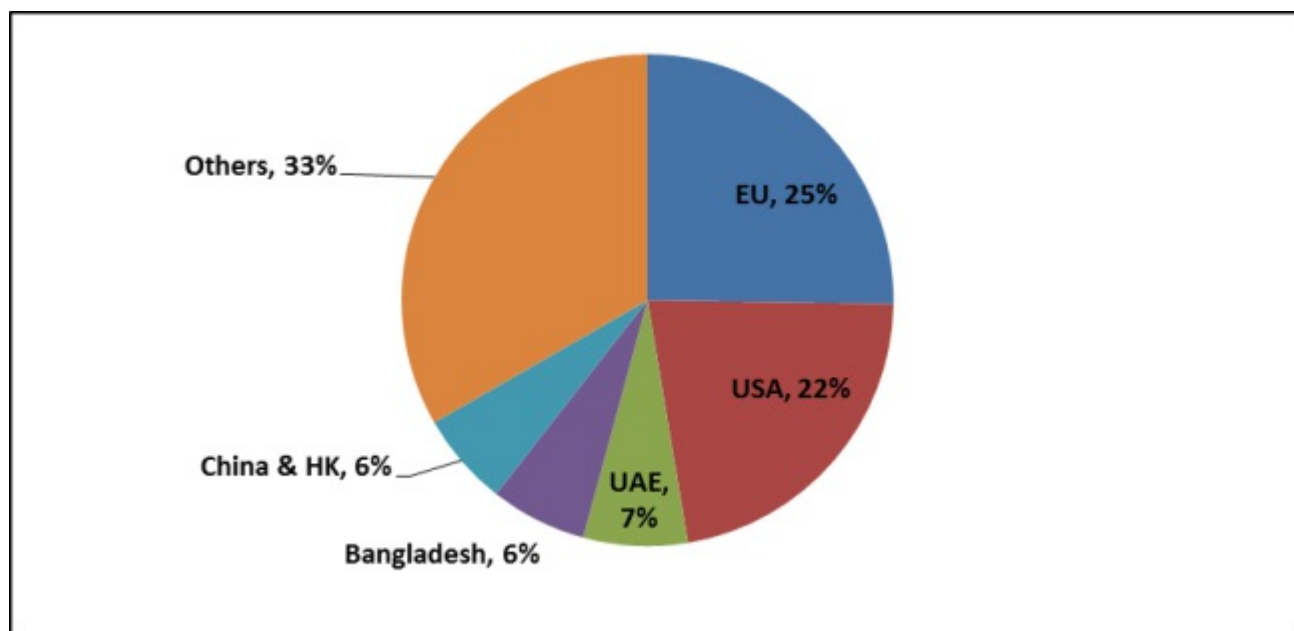
#	HS Code	Commodity	Type	FY 15	FY 19	CAGR	Top Markets	% Share
11	6205	Men Or Boys Shirts, Not Knitted Or Crocheted	Apparel	1,133	1,118	-0.3%	USA	28%
							UAE	11%
							UK	8%
12	6203	Men Or Boys Suits, Ensembles Etc, Not Knit Etc	Apparel	1,166	1,110	-1.2%	USA	26%
							UAE	20%
							UK	6%
13	5407	Woven Fabric Of Synthetic Filament Yarn, Including Monofilament of 67 Decitex Etc	Fabric	1,159	944	-5.0%	UAE	11%
							Bangladesh	9%
							USA	8%
14	6305	Sacks & Bags Of Textile Material For Packing Goods	Others	695	929	7.5%	USA	22%
							UK	8%
							Germany	8%
15	6111	Babies Garments & Accessories, Knit Or Crocheted	Apparel	696	870	5.8%	USA	23%
							UK	20%
							UAE	12%
16	6105	Men Or Boys Shirts, Knitted Or Crocheted	Apparel	670	682	0.4%	USA	31%
							UAE	24%
							UK	6%
17	6114	Garments Nesoi, Knitted Or Crocheted	Apparel	615	623	0.3%	USA	39%
							Germany	12%
							UK	10%
18	6107	Men Or Boys Underpants, Pgs, Etc, Knit Or Crochet	Apparel	463	587	6.1%	USA	34%
							UAE	13%
							UK	10%
19	6104	Women Or Girls Suits, Ensemble Etc, Knit Or Crochet	Apparel	709	586	-4.6%	USA	21%
							UK	14%
							Germany	13%
20	6108	Women Or Girls Slips, Etc, Knit Or Crochet	Apparel	537	585	2.1%	USA	23%
							UK	18%
							Germany	9%

Source: DGCI&S

a) Top Markets for India's Textile & Apparel Exports

European Union continues to remain the biggest market for Indian textiles and apparel products. In 2018-19, EU-28 had a share of 25% followed by USA with a share of 22% in India's total textile & apparel exports as shown in figure 10.

Figure 10: Top Markets for India's T&A Export in 2018-19



Source: DGCI&S

Textile and apparel exports to Bangladesh have shown highest CAGR of 5% over last five years followed by USA with CAGR of 4%. The exports to UAE have shown a sharp decline of 9% during the same period as shown in table 9.

Table 6: Last 5 years exports to top markets (in US\$ Mn.)

Country	2014-15	2015-16	2016-17	2017-2018	2018-2019	CAGR
EU	9,888	9,294	9,267	9,731	9,463	-1%
U S A	7,154	7,519	7,674	7,746	8,297	4%
UAE	3,733	4,469	4,724	3,422	2,570	-9%
Bangladesh	1,973	2,088	2,123	2,316	2,377	5%
China & HK	2,788	2,140	1,828	1,501	2,307	-5%
Others	12,118	11,217	10,861	12,030	12,480	1%
Grand Total	37,654	36,727	36,477	36,745	37,494	

Source: DGCI&S

5.3. Current Status of India's Exports of Textile & Apparel

Year 2019-20, is witnessing a downfall for India's Textile & Apparel exports. During the first four months of 2019-20, India's exports of T&A have declined by 7% as compared to the same time period of 2018-19 as shown in table 5

Table 7 : India's Export of T&A in 2019-20 (US\$ Mn)

Year	Apr	May	June	July	Apr-July
2018	3,170	3,144	3,174	2,997	12,485
2019	2,940	3,124	2,638	2,867	11,569
% Change	-7%	-1%	-17%	-4%	-7%

Source: DGCI&S

Further, segment wise analysis shows that the maximum decline in export is for fibre and yarn with exports declining by 57% and 33% respectively as shown in table 6.

Table 8 : India's Segment wise Export of T&A in 2019-20 (US\$ Mn)

Row Labels	Apr-July 18	Apr-July 19	% Change
Fibre	1,126.2	487.6	-57%
Filament	451.8	394.2	-13%
Yarn	1,696.2	1,130.0	-33%
Fabric	1,493.4	1,601.3	7%
Apparel	5,325.5	5,538.0	4%
Home Textiles	1,736.9	1,805.4	4%
Others	655.1	612.9	-6%
Total	12,485.1	11,569.3	-7%

Source: DGCI&S

Year 2019-20, witnessed the worst performance of exports of cotton yarn. During the April-July period of 2019-20, exports of cotton yarn declined by huge 37% as compared to the same time period during last year as shown in table 7.

Table 9 : India's Export of Cotton Yarn in 2019-20 (US\$ Mn)

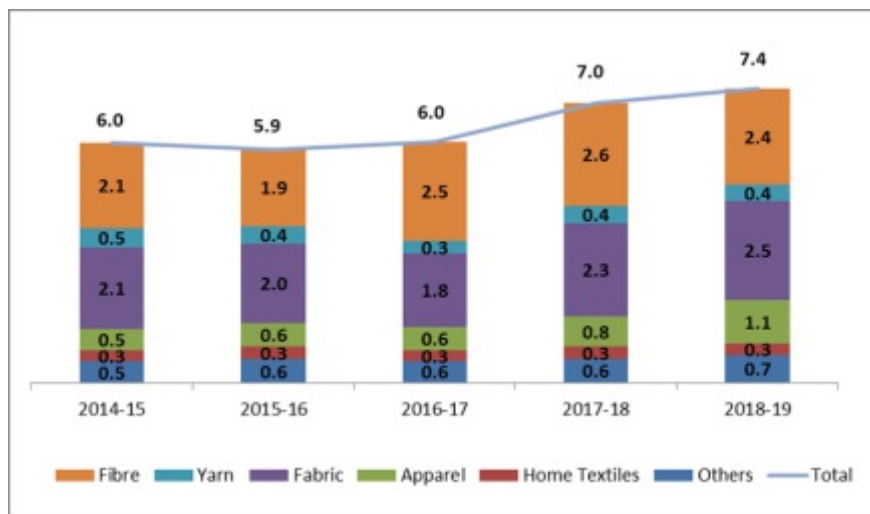
Year	Apr	May	June	July	Apr-July
2018	338.1	349.7	379.0	333.5	1,400.3
2019	267.0	242.2	189.3	186.4	885.0
% Change	-21%	-31%	-50%	-44%	-37%

Source: DGCI&S

5.4. India's Imports of Textile & Apparel

India's imports of textile & apparel products have grown at a CAGR of 5% over the last five years to reach US\$ 7.4 billion in 2018-19 as shown in figure 11. The fabric imports have increased from US\$ 2.1 billion in 2014-15 to US\$ 2.5 billion in 2018-19 at a CAGR of 5%.

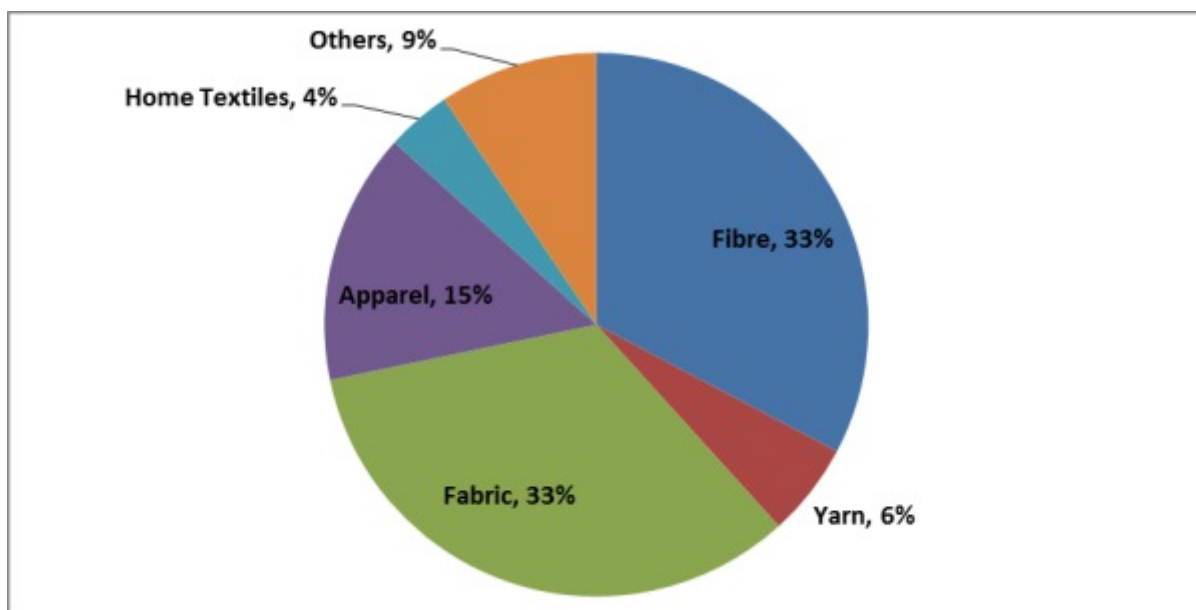
Figure 11: India's Import of T&A (US\$ bn)



Source: DGCI&S

Category wise analysis shows that Fibre & Fabric have the highest share in total T&A imports in 2018-19 as shown in figure 12

Figure 12: Category wise share in textile & apparel imports of India in 2018-19



Source: DGCI&S

b) Top 20 categories imported

The top 20 commodities (HS-4) have a share of 64% in the total textile and apparel imports in India. The imports of these top 20 commodities are shown in table 12

Table 12: India's Top 20 Exported Textile & Apparel Categories (US\$ Million)

#	HS Code	Commodity	Type	FY 15	FY 19	CAGR	Top Suppliers	% Share
1	5201	Cotton, not Carded or Combed	Fibre	503	622	5%	USA	55%
							Egypt	10%
							Australia	9%
2	5402	Synthetic Filament Yarn (No Sew Thread), no Retail	Filament	407	489	5%	China & HK	29%
							Vietnam	21%
							Korea	10%
3	5903	Textile Fabrics Impregnated, Coated, etc With Plastics (No Tire Cord Etc)	Fabric	391	423	2%	China & HK	80%
							Taiwan	3%
							Korea	3%
4	6006	Knitted or Crocheted Fabrics, Nesoi	Fabric	246	323	7%	China & HK	78%
							Taiwan	7%
							Bangladesh	3%
5	5101	Wool, not Carded or Combed	Fibre	349	310	-3%	Australia	65%
							NZ	7%
							Malaysia	3%
6	5902	Tire Cord Fabric of High Tenacity Yarn, Nylon etc	Fabric	268	288	2%	China & HK	43%
							Thailand	19%
							Taiwan	15%
7	5603	Nonwovens, Whether or Not Impregnated, Coated etc	Others	168	239	9%	China & HK	41%
							Japan	8%
							Germany	6%
8	5407	Woven Fabrics Of Synthetic Filament Yarn, Including Monofilament 67 Decitex Etc	Fabric	185	236	6%	China & HK	71%
							Korea	8%
							Taiwan	3%
9	5503	Synthetic Staple Fibers, Not Carded, Combed Etc.	Fibre	197	217	2%	China & HK	37%
							Thailand	12%
							Korea	12%
10	6203	Men Or Boys Suits, Ensembles Etc, Not Knit etc	Apparel	118	215	16%	Bangladesh	65%
							China & HK	8%
							Spain	6%

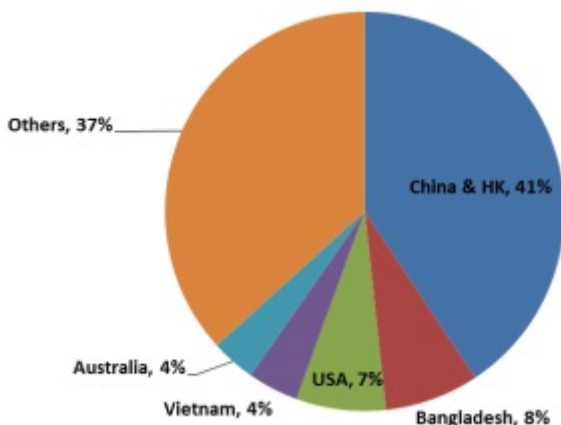
#	HS Code	Commodity	Type	FY 15	FY 19	CAGR	Top Suppliers	% Share
11	5509	Yarn (No Sew Thread), Synthetic Staple Fibre, Not Retail	Yarn	222	183	-5%	China & HK	45%
							Nepal	27%
							Indonesia	24%
12	5403	Artificial Filament Yarn (No Dew Thread), No Retail	Filament	164	166	0%	China & HK	64%
							Japan	35%
							UAE	1%
13	5002	Raw Silk (Not Thrown)	Fibre	159	148	-2%	China & HK	67%
							Vietnam	31%
							Thailand	2%
14	6310	Used or New Rags, Scrap Twine Etc of Text Material	Others	70	147	20%	Bangladesh	22%
							Korea	12%
							UAE	10%
15	5504	Artificial Staple Fibers, Not Carded, Combed Etc.	Fibre	82	138	14%	Australia	39%
							Indonesia	34%
							Sri Lanka	7%
16	5515	Woven Fabrics of Synthetic Staple Fibers Neso	Fabric	31	135	44%	Egypt	60%
							China & HK	37%
							Turkey	1%
17	6204	Women Or Girls Suits, Ensembles etc, Not Knitted etc	Apparel	63	120	18%	Bangladesh	32%
							China & HK	20%
							Spain	18%
18	6205	Men Or Boys Shirts, Not Knitted Or Crocheted	Apparel	48	111	23%	Bangladesh	72%
							China & HK	10%
							Spain	7%
19	6005	Warp Knit Fabrics, Other Than Of Headings 6001-6004	Fabric	151	103	-9%	China & HK	84%
							Korea	7%
							Vietnam	2%
20	6309	Worn Clothing And Other Worn Textile Articles	Others	122	95	-6%	USA	56%
							Canada	15%
							Korea	14%

Source: DGCIS

c) Top Suppliers of Textile & Apparel Commodities to India

China & HK continues to remain the biggest supplier for Indian textiles and apparel products in 2018-19 with a share of 41% in India's total T&A imports during 2018-19 followed by Bangladesh and USA with a share of 8% and 7% respectively as shown in figure 13.

Figure 13: Top Suppliers of T&A to India in 2018-19



Source: DGCI&S

5.5. Current Status of India's Imports of Textile & Apparel

During April- July 2019, Textile & Apparel imports by India increased by 14% as compared to same time period during the last year as shown in table 10.

Table 11 : T&A Imports by India in 2019-20 (US\$ Mn)

Imports (US\$ Mn)	Apr	May	June	July	Apr-July
2018	519.6	703.3	647.9	642.4	2513.3
2019	586.8	695.3	703.0	870.1	2855.2
% Change	13%	-1%	8%	35%	14%

Source: DGCI&S

Further, category wise analysis shows that the imports of fibre increased by a maximum of 35% during the same time period as shown in Table 11.

Table 12 : T&A Imports by India in 2019-20 (US\$ Mn)

Category	Apr-July 18	Apr-July 19	% Change
Fibre	662.5	896.2	35%
Filament	226.0	271.3	20%
Yarn	145.4	162.7	12%
Fabric	873.4	834.7	-4%
Apparel	296.7	341.1	15%
Home Textiles	84.1	87.9	5%
Others	225.2	261.3	16%
Total	2,513.3	2,855.2	14%

Source: DGCI&S

6. Sector-wise Performance: Production, Key Issues & Recommendations

Indian Textile & Apparel sector despite having all the fibres in abundance and a large domestic supportive market, is not performing up-to the mark. For the last 5 years, India's T&A exports is hovering around US\$ 37 billion mark and is not increasing further. There is a total loss of confidence by both debt and equity – banks have classified Textiles as a Red and Stressed Sector, while in the last one-year top 20 textile companies have lost more than 45% market capitalization as shown in table 13

Table 13: Market Cap of India's Top 20 Textile & Apparel Companies (by Revenue)

Particular	Market Cap as on 26 August (Rs Cr)		% Change in Market Cap
	2018	2019	
Market Capital	91,530.3	48,940.1	-46.5%

Source: Moneycontrol.com

India at present is basically suffering from three structural issues:

- Relatively higher fibre, power and interest rates vis a vis competition
- Export cost including high level of duties, taxes etc.
- Relatively higher tariff rates in most major markets vis a vis competition

These issues have made us on an average 10-20% more expensive against competition and hence, we are unable to grow despite having many inherent advantages. Indian textile industry is a large & matured industry with single digit net margins, hence cannot absorb the cost of these disadvantages.

India should have been a Textile Superpower by now but China, Bangladesh, Vietnam all have gone past us making us a mute spectator looking at them eating into our share.

6.1. Cotton Fibre

Global trade of cotton is estimated to increase to 9.1 million tons in 2018-19 as compared to 8.9 million tons in 2017-18. With total export of about 3.2 million tons of cotton, USA remained the largest exporter of cotton as shown in table 14. Due to record high crop of cotton in Brazil, it has surpassed India to become the 2nd largest exporter of cotton to world in 2018-19.

Table 14: Export of Cotton by major manufacturers (million kg)

Country	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19
USA	2,833	2,973	2,887	2,621	3,130	2,550	2,836	2,293	2,439	1,993	3,248	3,450	3,211
Brazil	283	486	596	433	435	1,043	938	486	851	939	607	909	1,263
India*	986	1,505	595	1,411	1,301	2,203	1,724	1,988	981	1,174	990	1,153	1,105
Others	2,982	2,470	1,888	2,458	2,540	3,688	3,905	3,547	2,933	2,896	3,072	3,419	3,587
World	8,064	8,347	6,619	7,750	7,982	10,028	10,100	8,902	7,737	7,546	8,244	8,931	9,166

Source: USDA Reports of June 2019, August 2015, August 2012, August 2009, *Cotton Advisory Board, India

Cotton has been the pride and prime of Indian Textile Industry. It has been the major competitive strength of the country; hence most exports are dominated by cotton and even today the share of cotton in total fibre consumption is still above 60% while it is 30% across the globe. It has been the mainstay for not only the 60 lakh poor cotton farmers, but also to the value-added textile industry which employs directly & indirectly more than 10 crore people (making it the largest industrial employer)

6.1.1. Production

India has the highest area under cotton cultivation in the world, and is also the largest producer of cotton followed by China as shown in table 15. India's cotton production accounts for about 24% of the global cotton production.

Table 15: Global Production of Cotton (million kg)

Country	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19
China	7,729	8,056	7,991	6,967	6,641	7,403	7,620	7,131	6,532	4,790	4,953	5,987	6,042
India	4,760	5,219	4,930	5,185	5,763	6,239	6,290	6,766	6,562	5,644	5,865	6,290	6,137
Pakistan	2,155	1,938	1,859	2,012	1,881	2,308	2,025	2,068	2,308	1,524	1,676	1,785	1,676
World	26,552	26,338	23,365	22,258	25,342	27,736	26,960	26,231	25,906	20,935	23,227	26,951	25,881

Source: USDA Reports of June 2019, August 2015, August 2012, August 2009, *Cotton Advisory Board, India

For 2018-19, India's cotton production is estimated to be 361 lakh bales of 170 kg each which is slightly lower than the production of 370 lakh bales in 2017-18 as shown in table 16. Lower production of cotton in 2018-19 is mainly due to lower cotton yields resulting from the poor monsoon and drought like situations in the major cotton producing regions which has made farmers to uproot the cotton plant leaving no scope of third and fourth picking.

Consumption of cotton is estimated to be 317 lakh bales in 2018-19 against the 315 lakh bales in 2017-18. Consumption of cotton is estimated to remain stable as mills now days are focused on manufacturing of blended yarn and fabrics with higher percentage of synthetic fibres to offset the cotton price volatility.

Table 16: Cotton Balance Sheet of India

Particular	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18 (P)	FY 19 (P)
Opening Stock	71.5	40.5	45.8	40.0	40.0	33.0	66.0	36.4	43.8	47.1
Production	305	339	367	370	398	386	332	345	370	361
Imports	6.0	2.4	7.5	14.6	11.5	14.4	22.8	30.9	15.8	15.0
Total Supply	382.5	381.9	420.3	424.6	449.5	433.4	420.8	412.4	429.6	423.1
Consumption	259.0	259.6	250.7	283.2	299.6	309.4	315.3	310.4	314.6	317.0
Exports	83.0	76.5	129.6	101.4	117.0	57.7	69.1	58.2	67.8	65.0
Total Demand	342.0	336.1	380.3	384.6	416.5	367.2	384.4	368.6	382.4	382.0
Closing Stock	40.5	45.8	40.0	40.0	33.0	66.2	36.4	43.8	47.1	41.1

Source: Cotton Advisory Board, India

6.1.2. Key Issues

Cotton yield in India is quite low as compared to its peers like USA & China as shown in table

Table 17: Country Wise Cotton Yield

Country	Yield (Kgs/hectare)
India	497.92
China	1726.26
USA	968.28
Pakistan	719.44
Brazil	1,747.27
Australia	1,741.81
World	776.36

Source: USDA

The competitiveness of India's Cotton Textile Industry depends on its relative pricing of cotton vis a vis other origins like USA, China, Brazil, Australia, Pakistan and West Africa as many of the competitors (Vietnam, Bangladesh, Cambodia, Myanmar, Korea, Indonesia) have option to choose the origin of cotton, yarn and fabric, they find relatively cheaper.

India has a system of Minimum Support Price (MSP) for farmers, which Cotton Corporation of India (CCI) executes by buying cotton seed (kapas) at MSP Prices. Recently, prices of Indian cotton have surpassed prices of major international cotton manufacturers like USA, W.Africa, Brazil, etc. to become the most expensive cotton in the world as shown in Table 18 and are expected to remain so till September 2019. Recently the Government announced hike in MSP for cotton at rate of Rs 5,255 per quintal for Medium Staple Cotton and Rs 5,550 per quintal for Long Staple Cotton as comparing to last year's MSP of Rs 5,150 per quintal and Rs 5,450 per quintal respectively.

Table 18 : Cotton Prices of India v/s World (USC/LBS)

	Oct-18	Dec-18	Mar-19	Jun-19
ICE Index	76	81	73	68
India	80	86	81	88
West Africa	87	92	84	79
USA	88	93	86	81
Brazil	88	92	85	80

Source: Cotton Association of India

The present MSP of cotton is higher than the international prices of cotton and also the MSP mechanism restricts the downward movement of Indian cotton, while the upper side is correlated to international prices. Hence in a falling market, the Indian industry suffers badly and the whole value-added chain becomes uncompetitive and loses business and margins in the process.

6.1.3. Recommendations

a) Technology Mission on Cotton (TMC) II Needs to be Urgently Introduced

India cotton farmers are facing problems of decline in production, productivity and quality of cotton. Various research work that helped Indian farmers increase their cotton productivity during TMC I could not make further progress due to paucity in fund allocation after TMC I. Thus, there is an urgent need for TMC II, which will fuel growth of the Indian textile Industry by helping in increasing cotton production and will also double income of cotton farmers by 2022.

b) CCI Should Introduce a Mission to Make Indian Cotton Contamination Free

CCI should work towards a system for traceability of cotton arriving as bales from ginning factories. By doing so, Government will be able to know the source of contamination and take necessary preventive measures. This will help in reducing the cotton contamination and will thus enhance the income of farmers by 5 to 10%.

There is also an urgent need that Ministry of Chemicals & Fertilizers make mandatory the use of colored bags as white colored fibre of fertilizer bags gets mixed with cotton and photo sensors are not able to detect it which decreases the cotton value (by almost about 10%).

c) Sales Policy of CCI Cotton

CCI should adopt a market linked policy similar to China. It will ensure that procurement of cotton by CCI doesn't disturb the market price and supply of cotton, which affects the entire value chain in textile industry.

d) Industry Representation on CCI Board

There should be an active industry representation present on CCI Board. The presentation should work with CCI in policy framing which will ensure that CCI policies and practices are in tune with both farmers and industry need.

e) Hike Import Duty on Edible oils and Promote Cotton Oil Consumption

Government should work towards increasing import duty on edible oils and consider promotion of cotton oil consumption. This will improve the economics of cotton industry and reduce the cost of cotton fibre to make it more competitive.

f) Liberalize Cotton Seed Research

There is a dire need to liberalize the cotton seed research sector to increase yield of cotton in India. Budget for cotton research should be at least 1% of the total value of cotton production. Apart from that, technology inputs at farm level like drip irrigation and use of mulch films will also increase the cotton yield. Scientists should be asked to develop new technologies/methods of mechanical picking of cotton. It will not only increase the value of cotton by reducing contamination but will also reduce the cost of cotton picking. (at present picking cost is about ~15% to 20% of total cotton value)

g) Cotton Price Stabilization Fund Scheme

Need of Cotton Price Stabilization Fund Scheme with 5% interest subvention for the cotton procured and stored during peak season, enhance credit limit from three months to nine months and reduce the margin money from 25% to 10% (Price Stabilization Scheme announced by the Government recently while revising the MSP last year).

h) Need to Launch of a Global Cotton Contract on MCX

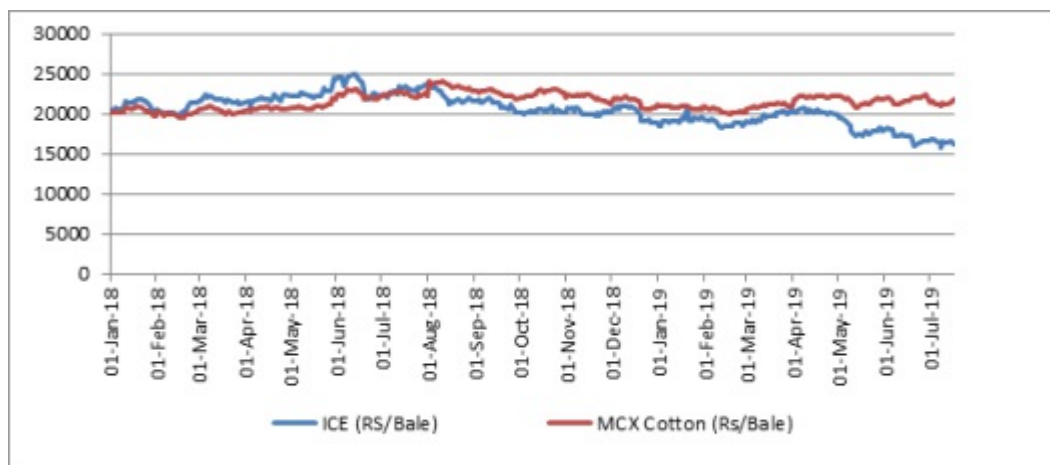
India exports about 65 to 70 lakh cotton bales and importing 15 to 20 lakh cotton bales every year. Hence, there is an international trade of over 80 lakh bales which aggregates to over Rs 17000 crores of trade. Further, the entire domestic cotton value chain (farmers, ginners, traders, spinners, weavers and garments) is strongly correlated and linked to the international price movements. It is well known and proven fact that overnight price movements internationally over International Commodity Exchange (ICE) impacts the domestic prices immediately and is tracked by every player very closely. However, it's unfortunate that no domestic player despite being impacted can hedge himself against the same. The difference between ICE and MCX Cotton Futures Index keeps varying across the season and the range of variance is as high as USC 10 to 12/lbs i.e. about 15%. The same has very deep impact on an industry where margins are as below as 5%, and in some cases, it's merely 1%!

Players, in the industry, who have separate international arms, are able to hedge and do arbitrage trading in ICE. However, Indian players need RBI permission for doing so which is very difficult to obtain. Hence, they stay open to the vagaries of international fluctuations and are consistently losing due to the risk they carry.

It's very important to give Indian players a level playing field, not only for exports/imports business but also for domestic business. Further, it impacts not only international trading of raw cotton but also downstream value-added players and those involved indirectly or linked. Hence, there is a strong need to launch Cotton Global contract for the entire cotton textile value chain at the earliest.

A graph of ICE and MCX Domestic Cotton Index to illustrate the changing variance between the two over the cotton season is illustrated in figure 14.

Figure 14 : ICE Vs MCX Cotton Prices (Rupee Per Bale)



- Government may consider any of the following methods/suggestions for the immediate revival of the cotton spinning industry
 - Cotton Auctioning by CCI at Market Prices
 - Direct Benefit Transfer (DBT) System to Cotton Farmers

a) Cotton Auctioning by CCI at Market Price

Cotton sold by CCI should be at international price levels. Government may use China's formula of average of international and domestic prices can be used for determining auction reserve price

China's Formula

Base selling price (cotton type 3128B) = (Average price of prior week's domestic cotton prices)*50% + (average price of prior week's international cotton price) * 50%.

1. Domestic cotton price= (China Cotton Index + CN Cotton)/2
2. International cotton price= Cotlook A Index (converted to USD per ton) * exchange rate * (1+1%import duty) * (1+9%VAT)
3. The exchange rate is the benchmark exchange rate of the foreign currency against the RMB announced by the People's Bank of China, based on the customs taxation method and the third Wednesday of the previous month (if it is on public holiday, the fourth Wednesday is postponed).

Government can use MCX and Cotlook Index as reference points for domestic and international prices. CCI should have a clear-cut timetable for selling, so that no speculation on when CCI will offer and what quantity – can start selling from January 1st and sell till stocks last. Offered quantity per day would be a certain %age of the daily consumption and linked to daily arrivals to ensure that excess supply is not pushed into the market. The system should be transparent and known to all market players.

Advantages of Cotton Auctioning by CCI at Market Price

- CCI would save on holding cost of cotton, as they would be regularly selling in market
- CCI fund availability for buying at MSP would increase, as they would be continuously selling cotton fibre irrespective of market prices
- Cotton loses value over time, long holding will be avoided by CCI as they will sell periodically, saving the cotton intrinsic value
- Industry would be assured of internationally competitive prices of raw material, hence at least at domestic level a level playing field will be provided to the cotton value added industry
- CCI would move from a cost-plus system to a transparent market-linked pricing system – hence, CCI would make both profit and loss, which will eventually balance off.
- Traders and speculators cannot manipulate prices, as they would know that a large player like CCI will be selling at market prices
- China model has been running well, and a large %age of the cotton offered is sold everyday due to market-linked reserve prices.

b) Direct Benefit Transfer System to Cotton Farmers

Alternatively, the Government could also consider a Direct Benefit Transfer system to farmers. Under this system, the farmers will directly get the difference between the MSP and market price of the seed cotton in their bank accounts. It will be in line with the agenda of the present Government to directly pass benefits under various Government schemes to the beneficiaries in their bank accounts and will eliminate a lot of expenses incurred on procurement, handling, transportation, warehousing and sales of procured cotton.

For e.g., if prevailing market price of cotton seed is INR 5000/quintal and MSP is INR 5400/quintal, then subsidy given to farmers is INR 400/quintal.

Commission for Agricultural Costs and Prices (CACP) in its study “Price Policy for Kharif Crops” 2019-20 has also recommended for Price Deficiency Payment Scheme (PDPS) which is a sub-scheme of “Pradhan Mantri Annadata Aay Sanrakshan Abhiyan” (PM-AASHA) for cotton crop under which direct payment of the difference between the MSP and the selling/modal price will be made to pre-registered farmers who sell their produce in the notified market yard through a transparent auction process. The scheme does not involve any physical procurement of crops.

Commission has also suggested that farmers should be encouraged and incentivized to store their produce in accredited warehouses and provided loans against Warehouse Receipt to meet cash flow needs without having to sell their produce when market prices are typically at harvest-time lows. This arrangement will allow the farmers to delay the sale of their produce until more favourable market conditions emerge. However, if market prices in later months are below MSP then farmers should be entitled to receive the benefits of direct subsidy. In case market prices are higher than MSP, the producers can choose to sell in the open market and take advantage of the higher prices.

Advantages of Direct Benefit Transfer System to Cotton Farmers

- The value-added cotton textile industry (employing millions of workforce) is assured of market determined prices of cotton fibre. Hence, their competitiveness against international players isn't impacted due to higher domestic fibre prices;
- The infrastructure needed for CCI to buy seed cotton at MSP from farmers, then getting the same ginned on contract basis and then storing and selling the cotton fibre will be completely eliminated;
- CCI's role can be redefined to more constructive things like improving quality of cotton fibre, R&D operations, maintaining buffer stock of cotton bales and providing stability in prices relative to international levels;
- The cotton farmers would be benefited from the receipt of price difference in MSP and market price of the seed cotton directly in their accounts and not be forced to sell their produce to CCI to avail the benefit;
- Quality of cotton will be maintained in a much better manner as private ginners would be forced to maintain quality as their sale realization will depend on quality fibre – cost of monitoring quality of seed cotton and ginning by CCI will be eliminated completely; and
- Fund requirement for managing purchase and stock of cotton by CCI would not be required thereafter.

6.2. Man Made Fibre & Filament Yarn

Globally, fibre consumption is predominated by manmade fibres (MMFs) having 70% share in total fibre consumption while natural fibres constitute only 30%. Contrary to the global trend, fibre consumption in India is skewed towards natural fibres, especially cotton. Consumption ratio of natural fibres viz a viz MMFs is nearly 70:30.

6.2.1. Production

As far as India's production of man-made fibre is considered, its production in 2018-19 is projected to be around 1,443 million kg which is 9% more than the production in 2017-18.

Production of man-made fibre have increased by 9% comparing to last year. Imports of man-made fibres have increased by 15% during 2018-19 compared to last year to reach 226 million kg, while export stood at 370 million kg during the same time frame which shows a negative growth. Further analysis shows that there is 15% increase in consumption and stock of man-made fibre during 2018-19 compared to 2017-18 as shown in table 19

Table 19 : Production, Imports and Exports of Man Made Fibre (million Kg)

Particular	2015-16	2016-17	2017-18	2018-19	% Change
Production	1,347	1,364	1,319	1,443	9%
Imports	217	213	195	226	15%
Total Available	1,564	1,577	1,514	1,669	10%
Exports	381	412	383	370	-3%
Consumed (including stocks)	1,183	1,164	1,132	1,298	15%

Source: Office of Textile Commissioner & DGCI&S and CITI Analysis

Production of manmade filament yarn in 2018-19 is projected to be about 1,155 million kg which is about 3% lower than the production of 1,187 million kg in 2017-18 as shown in table 20

Table 20 : Production, Imports and Exports of Man-Made Filament Yarn (mn Kg)

Particular	2015-16	2016-17	2017-18	2018-19 (P)	% Change
Production	1,164	1,159	1,187	1,155	-3%
Imports	154	176	178	183	3%
Total Available	1,318	1,335	1,365	1,338	-2%
Exports	658	765	741	722	-3%
Consumed (including stocks)	661	570	624	616	-1%

Source: Office of Textile Commissioner & DGCI&S and CITI Analysis

In this present scenario, the US\$ 350 billion target set for the Textile Industry as against the present size of US\$ 150 billion can only be achieved with the support and cooperation of all the stakeholders in the textile value chain especially MMF Segment as the cotton fibre cannot be grown beyond an extent. The fibre consumption trend showing increasing dependence on MMFs both globally and Indian as shown in table 21 (Global) and table 22 (Indian)

Table 21: Fibre Consumption Trend – Global

Year	Total Fibre Consumption	Consumption (Mn Kg)			Consumption Share		
		Cotton	Polyester	Others	Cotton	Polyester	Others
2000	52,485	19,970	19,166	13,349	38%	37%	25%
2005	62,997	22,327	26,640	14,031	35%	42%	22%
2010	75,615	24,962	37,028	13,625	33%	49%	18%
2015	87,877	24,055	48,030	15,792	27%	55%	18%
2017	92,747	24,499	51,974	16,274	26%	56%	18%
2040(P)	1,37,334	30,941	87,284	19,109	23%	64%	14%

Table 22: Fibre Consumption Trend – India

Year	Total Fibre Consumption	Consumption (Mn Kg)			Consumption Share		
		Cotton	Polyester	Others	Cotton	Polyester	Others
2005	6,191	3,589	1,919	683	58%	31%	11%
2010	7,767	4,367	2,718	682	56%	35%	9%
2015	10,191	5,506	3,873	812	54%	38%	8%
2020	12,128	6,273	4,972	883	52%	41%	7%
2030	16,899	6,811	8,787	1,300	40%	52%	8%
2040	22,247	7,393	13,126	1,728	33%	59%	8%

Source: PCI Fibres

6.2.2. Key issues

a) Steady Growth of Downstream Segments

Downstream Segments plays an important role in the overall growth of the Value Chain as these are labor intensive too. Furthermore, bulk of the growth has to come from exports where we are already lagging and at present it is US\$ 37.50 bn in 2018-19. The world in general and India in particular is going through challenging times due to trade barriers and falling economic growth. The withdrawal of incentives in line with the WTO norms will only make it further difficult. All this requires us to be more efficient and competitive along all the segments of the MMF Textile Value Chain.

b) High Cost of Raw Materials in India

Anti-dumping duty on MMF raw material make it expensive for domestic industry. The structure of the MMF Domestic Industry allows the manufacturers to charge prices equal to or higher than Import Parity Prices without considering the dynamics of Demand & Supply. Thus, apart from the CIF price, BCD & ADD are passed on to the next segment in the value chain. Other costs of import clearance and port handling too are added. A price comparison (landed cost of imports against domestic price) of PSF & VSF is shown in table 23 (PSF) & table 24 (VSF).

Table 23: Comparison Sheet of Landed Cost of Imports against Domestic Price of Polyester Staple Fibre (PSF)

Particulars	Amount (RS)	Particulars	Amount (RS)
Landed Cost of Imports		Domestic Price	89.50
CIF (\$)	0.95	DISCOUNTS	10.50
Rate of Exchange (R.O.E.)	69.35		
CIF (Rs)	65.88		
BCD 5%	3.30		
CESS	0.33		
CUSTOM CLEARING & OTHERS	4.00		
LANDED COST	73.51		
SAY (Rs)	73.50	Net Domestic Price	79.00

Table 24: Comparison Sheet of Landed Cost of Imports against Domestic Price of Viscose Staple Fibre (VSF)

Particulars	Amount (RS)	Particulars	Amount (RS)
Landed Cost of Imports:		Domestic Price to Spinner	
CIF (\$)	1.55		
Rate of Exchange (R.O.E.)	69.35		
CIF (Rs)	107.50		
BCD 5%	5.37		
CESS	0.54		
Anti Dumping Duty @ US\$ 0.19/KG	13.17		
Custom Clearing & Others	4.00		
Landed Cost	130.58	For Export Yarn	124.77
SAY (Rs)	131.00	For Domestic Yarn	149.54

Thus, the downstream industry pays much higher prices for its staple fibre requirement when compared to competing countries. All this makes the next segment uncompetitive and impact our exports. It will be interesting to note that India exports almost 30% of its domestic consumption of PSF and 15% of VSF. If pricing is corrected these Fibres can be converted into Yarn creating employment and also adding to production of value-added Products. To bring about discipline in its pricing the Government has to ensure that BCD from present levels of 5% need to be brought down to 2.5%. Furthermore, anti-dumping duties not to be levied on the upstream segments – PTA, PSF & VSF.

c) High Imports of Yarns Costing to the Industry

Spun Yarns Industry is facing stress due to enhanced imports which incidentally is also a labor-intensive industry. Imports become a viable option due to higher cost of staple fibres in India. Thus, if Staple fibres prices are corrected, Yarn imports can be curtailed, and consumption of staple fibres will also increase in India. The Basic Custom Duty on import of yarn too needs to be increased to 10% from the present level of 5%. This would discourage imports without impacting domestic price of yarn. Table 25, 26 and 27 show the increase in imports of PV blended yarn, Viscose Spun Yarn and Polyester Spun Yarn respectively

Table 25: Monthly Imports of PV Blended Yarn ('000 Kg)

	Jan	Feb	March	April	May	June	July
2018	3722.6	3367.6	2574.7	2168.2	2113.4	1533.6	984.7
2019	2362.6	1377.9	932.4	1410.5	1048.5	1321.8	1257.5
% Change in Imports	-37%	-59%	-64%	-35%	-50%	-14%	128%

Source: DGCI&S

Table 26: Monthly Imports of Viscose Spun Yarn ('000 Kg)

	Jan	Feb	March	April	May	June	July
2018	664.1	1600.5	1707.4	1554.6	1219.5	1289.1	647.0
2019	822.4	645.1	750.7	988.0	2074.4	2473.0	2858.8
% Change in Imports	24%	-60%	-56%	-36%	70%	92%	342%

Source: DGCI&S

Table 27: Monthly Imports of Polyester Spun Yarn ('000 Kg)

	Jan	Feb	March	April	May	June	July
2018	5,200.7	4,642.1	3,864.2	2,975.4	4,120.0	4,846.4	2,908.2
2019	6,676.2	5,251.8	5,415.8	5,914.9	5,840.5	5,163.2	8,535.0
% Change in imports	28%	13%	40%	99%	42%	7%	193%

Source: DGCI&S

a) GST leads to accumulation and non-refund of ITC

The current GST regime has brought about inverted duty structure in the case of MMF textiles which has led to tax paid on capital goods, services and certain inputs becoming cost in the hands of the MMF

textile tax-payers. These taxes are not considered for calculation of refund of input credits. This has made MMF textiles costlier to the extent of such underfunded taxes. This is restricting further expansion in the MMF Segments and government needs to remove this anomaly immediately.

- b) MMF Yarn exports attracts about 5-6% of embedded taxes, which are not refunded to the exporters at any stage

1.1.1. Recommendations

- Extend RoSCTL to MMF Yarn as given to Garment & Made-ups sectors
- Discontinuation of anti-dumping duty on MMF products
- Any enhancement to the existing BCD on the MMF upstream segments of the value chain may not be considered
- Ensure availability of raw materials for MMF Textile value chain – the Downstream Industry at international competitive prices
- Implement Fibre Neutrality Policy
- Increase import duty on MMF spun yarn from present 5% to 10%
- Consider anti-dumping duty while calculating duty drawback rates
- Extend uniform GST rate of 5 % for MMF products - Fibre, Yarn and Fabric. (There would be no revenue loss, as Fabric is at 5% and all inverted duty is refundable. This would eliminate accumulation of ITC as shown in table 28)

Table 28: Present Vs. Proposed GST Scenario on total Value chain of MMF fabrics

Material	Cost Per Kg	Present		Proposed	
		GST Rate	GST Per Kg	GST Rate	GST Per Kg
PX	38.50	18%	6.93	18%	6.93
PTA plus MEG	66.50	18%	11.97	5%	3.33
Draw Texturized Yarn	85.00	12%	10.20	5%	4.25
Grey Fabric (200 PMS/ Meter) (5 Meters/ Kg.)	125.00	5%	6.25	5%	6.25
Finished Fabrics (Cost of 5 Metres)	175.00	5%	8.75	5%	8.75

Source: PTA User Association

6.3. Cotton Yarn

Indian cotton yarn sector is the most modern sector of Indian textile industry. India is acknowledged as world class supplier of cotton yarn in terms of varieties, volumes, quality and price. India has the capabilities to produce all kind of spun yarn including blended and MMF based yarns

6.3.1. Production

Production of Spun yarn in India stood at 5,864 million Kg in 2018-19 as shown in table 9 which is about 3% higher than the production in 2017-18. Cotton yarn dominates the yarn production with about 71% share in total spun yarn production. While the production of total spun yarn increased by 3% compared to last year, production of non-cotton yarn increased by 4% during the same year as shown in table 29.

Table 29: Production of Spun Yarn (million Kg)

Particular	2015-16	2016-17	2017-18	2018-19 (P)	% Change
Cotton Yarn	4,138	4055	4,064	4,184	3%
100% Non-Cotton and Blended Yarn	1,527	1,604	1,616	1,680	4%
Total Spun Yarn	5,665	5,659	5,680	5,864	3%

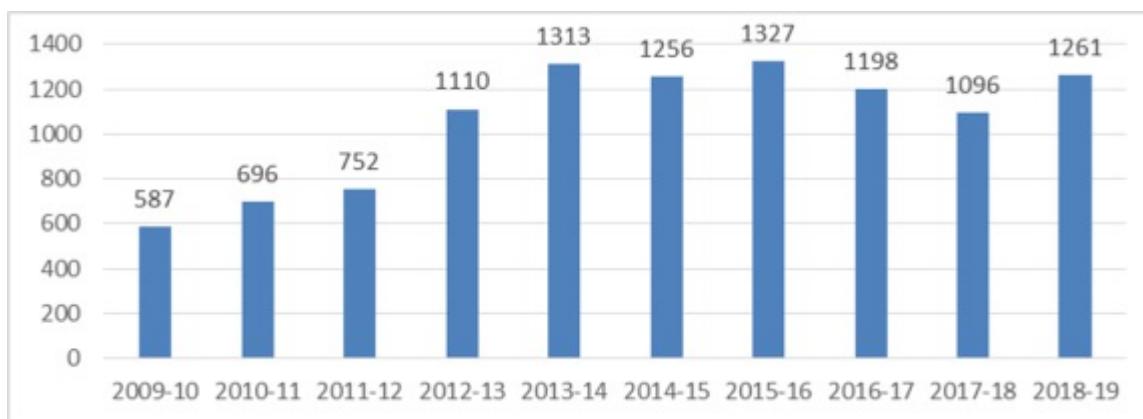
Source: Office of Textile Commissioner

6.3.2. Key issues

- **Cotton yarn has been completely ignored after 2014**

In terms of quantity, India's Cotton Yarn exports increased by 123% from 2009-10 to 2013-14 due to export incentives such as 2% incremental export incentive, 2% interest subvention and 3% focus market incentive etc. However, the same declined by 4% from 2013-14 to 2018-19 as shown in figure 15

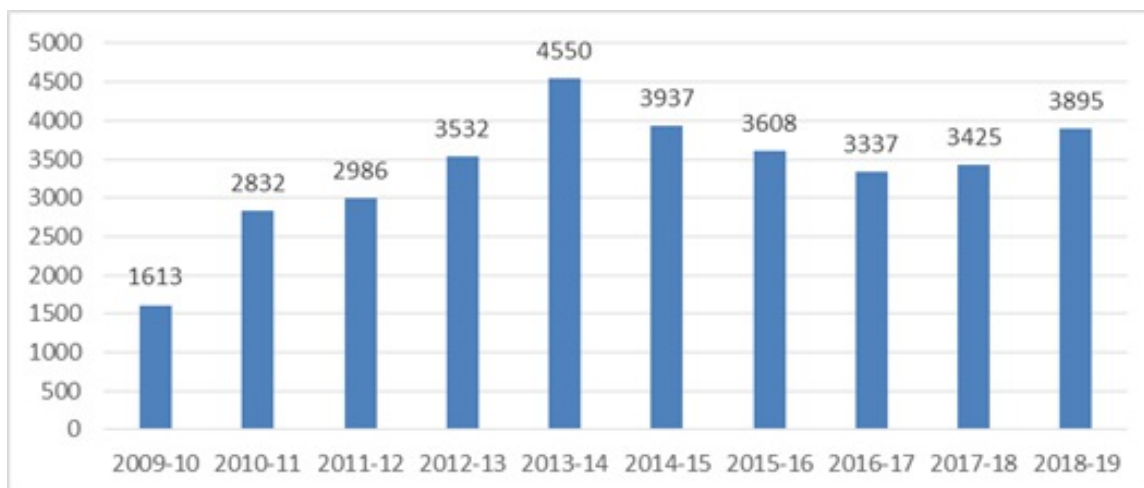
Figure 15: Exports Statistics of Cotton Yarn from India (Mn Kg)



Source: ITC Trade Map and IndiaStat.com

Similarly, in terms of value, Cotton Yarn exports from India increased by 182% from 2009-10 to 2013-14. However, it declined significantly by 14% from 2013-14 to 2018-19, as shown in figure 16.

Figure 16: Exports Statistics of Cotton Yarn (US\$ Mn)



Source: ITC Trade Map and IndiaStat.com

The month-wise analysis of exports of Cotton Yarn, of the first 4 months of 2019-20, shows that exports slumped by 21%, 30.80% and 50.10% and 44.1% in April, May, June and July 2019, respectively as shown in table 29. Overall, during the first 4 months of 2019-20, the exports of cotton yarn declined significantly by about 37% in comparison to last year, as shown in below table 30

Table 30: Month-wise Exports Statistics of Cotton Yarn (In US\$ Million)

Month	2018	2019	% Change
April	337	266	-21.00%
May	349	241	-30.80%
June	378	188	-50.10%
July	334	186	-44.10%
(Apr-June)	1,398	881	-36.98%

Source: DGCI&S

• **High Power tariffs**

Spinning Industry consumes lot of power. Presently, the rate of power varies between Rs 4 to Rs 8 per unit in different states

• **India's Cotton Yarn Trade with China**

India's Cotton Yarn exports to China have decreased by 37% from 2013 to 2018, while Vietnam's exports of cotton yarn to China have increased by about 139% during the same period. Table 31, shows cotton yarn imports by China from India and Vietnam.

Table 31: China's Imports of Cotton Yarn (US\$ Million)

Supplier	2013	2014	2015	2016	2017	2018	% Change
India	2,033	1,640	1,868	1,047	1,071	1,273	-37%
Vietnam	900	1,263	1,422	1,668	2,029	2,146	139%

Source: ITC Trade Map

It is pertinent to mention here that our competing countries such as Vietnam, Indonesia, Pakistan and Cambodia enjoy duty free access in China in different segments of cotton textiles, while Indian products bear 3.5%, 10% and 14% duty on yarn, fabric and made-ups, respectively as shown in table 32

Table 32: Tariff Rates (%) Imposed by China

Countries	Yarn	Fabric	Made-ups
Bangladesh	3.5	8.5	11.5
Cambodia	0	0	0
India	3.5	10	14
Indonesia	3.5	0	0
Pakistan	3.5	0	5
Vietnam	0	0	0

Source: WTO Tariff Database

• Tariff differential duties in major markets

India's cotton yarn is suffering from tariff differential duties in major markets. like USA, EU and China as shown in table 33

Table 33: Import Duty on Cotton Yarn by Countries on India

Countries	EU	China	Turkey	S. Korea
India	4.0%	3.5%	5.0%	5.0%
Bangladesh	0.0%	3.5%	0.0%	0.0%
Cambodia	0.0%	0.0%	0.0%	0.0%
Pakistan	0.0%	3.5%	3.2%	8.0%
Turkey	0.0%	3.5%		
Vietnam	3.2%	0.0%	3.2%	0.0%
Indonesia	3.2%	0.0%	3.2%	0.0%

Source: WTO Tariff Database

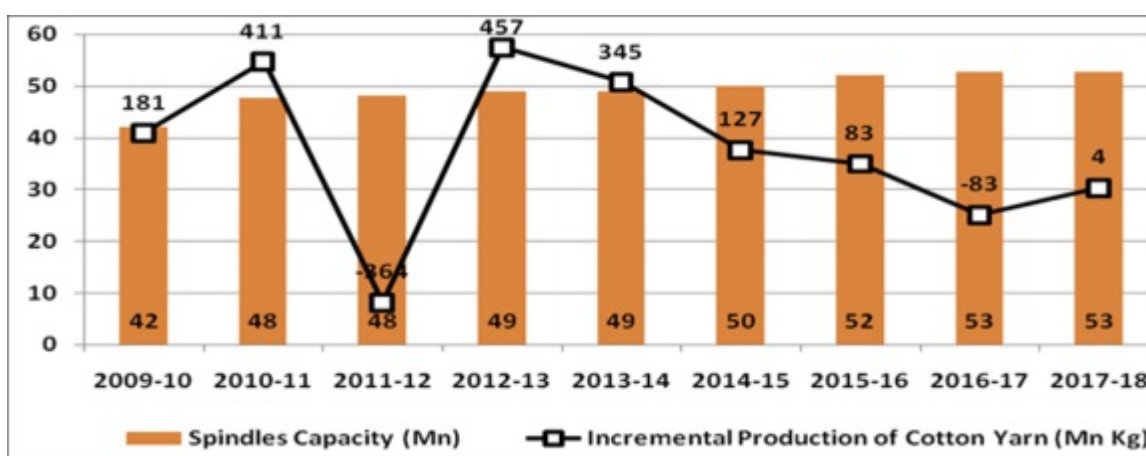
· **Cut down in Production**

Suppressive sentiments have forced spinning mills to cut down production by 15-30% which is a huge setback for the industry

· **Spindle Capacity and Incremental Production of Cotton Yarn in India**

It can be seen from figure 17, that commensurate with the spindle capacity the production has not picked up after 2012-13, indicating excess capacity lying unutilized and incurring huge losses.

Figure 17: Spindle Capacity and Incremental Production of Cotton Yarn in India



Source: Ministry of Textile, India and Open Govt. Data Platform of India

Note: Spindles capacity includes for both Cotton/Man-Made Fibre Textiles Mills

At present about 8-millions spindles are lying unutilized as already there are no takers for 30% exportable surplus cotton yarn lying in mills' go-downs

· **Non-refund of Embedded Taxes hampering growth of Cotton Yarn**

There are many embedded taxes which are not covered under GST such as agriculture cess, power and fuel surcharges, etc. which come to around 5% of total cost of the product as shown in table 34 and table 35. These taxes are not refunded to the exporters at any stage, hence, getting exported and substantially eroding the cost competitiveness of cotton yarn in the international markets. Until and unless, government reimburses these embedded taxes through ROSCTL, it will not be possible for the cotton yarn exporters to enhance their export performance.

Table 34: List of Central Taxes to be considered for Drawback

1	Inverted duty structure on MMF without any credit in GST regime	0.00%
2	Embedded taxes in Farm Sector (incl. power and fuel)	1.04%
3	Excise duties on petroleum products	0.24%
4	Embedded taxes due to purchases from unregistered dealers	0.01%
5	Embedded GST taxes on inputs into exempt/ excluded sectors	0.75%
	- Blocked inputs taxes on Petroleum sector	0.15%
	- Electricity - (Blockage due to Coal used in Electricity)	0.07%
	- Power & Equipment	0.06%
	- Real estate - (Blockage due to GST taxes on construction inputs)	0.29%
	- Transport (tyres & tubes, spare parts, repairs & maintenance)	0.18%
6	BCD on Import of raw material - Cotton	1.20%
	Cotton yarn (total blocked)	3.24%
	Cotton yarn (DBK refund)	1.70%
	Cotton yarn (Net Blocked Drawback)	1.54%

Table 35: List of State taxes to be considered by RoSL

Sl. No.	Description	Ratio on Annual FOB value
1	Inverted duty structure on MMF without any credit in GST regime	0.00%
2	Embedded taxes in Farm Sector - (GST Taxes)	0.52%
	Farm sector (Power & Fuel) - (Non-GST taxes)	0.52%
3	State VAT on petroleum products	0.47%
4	Non-GST State taxes (Mandi tax + Power cross subsidy, Stamp duties, Electricity duties)	1.39%
5	Embedded taxes due to purchases from unregistered dealers	0.01%
6	Embedded GST taxes on inputs into exempt/ excluded sectors	0.75%
	-Blocked inputs taxes on Petroleum sector	0.15%
	- Electricity -(Blockage due to Coal used in Electricity)	0.07%
	- Power equipment	0.06%
	- Real estate - (Blockage due to GST taxes on construction inputs)	0.29%
	- Transport (tyres & tubes, spare parts, repairs & maintenance)	0.18%
	Cotton yarn (total blocked)	3.66%
	ROSL REFUND- Average	0.00%
	Cotton yarn (net blocked ROSL)	3.66%

The recent USA-China trade war has adversely impacted the trade scenario across the globe. It has led to the slowdown in global trade, including textiles, thus impacting the exports of cotton yarn from India as USA is one of the largest export destinations for Indian cotton textile items. Though, government is keeping a close watch on the outcome of the spat between USA and China, its adverse impact at the moment on Indian textile industry is badly affecting the export prospects of the Indian Cotton Spinning sector.

• Higher Indian Cotton Prices

At present Indian cotton prices are prevailing higher than the international prices from March' 19 to June' 19, despite the fact that India is the largest producer of cotton. It is highest as compared to other cotton producing nations like Africa, USA, Brazil, etc. as shown in Table-36. It is creating more problems for the sector which is highly capital intensive and facing serious problems of cash loss. Moreover, in the last two months rupee has appreciated by 2.43% which is further adding to the woes of the industry. Moreover, there has been a substantial increase in MSP of cotton since last couple of years. At present MSP in India is higher than international prices of cotton. For 2019-20, MSP has been increased by Rs.105 per quintal and Rs.100 per quintal for medium staple cotton and long staple cotton, respectively.

Indian cotton spinning sector is predominantly MSME in nature (over 55% of the spinning mills) and therefore, have no direct access for imported cotton (lack of LC facility and volume concerns). Since CCI is trading cotton on a commercial basis, MSME spinning mills are not getting any help from CCI and forced to pay higher prices for the cotton and incur huge losses.

Table 36: Cotton Prices of India v/s World (USC/LBS)

Growth	Oct-18	Dec-18	Mar-19	Jun-19	Difference in Prices (%age) in Comparison to India
ICE Index	76	81	73	68	-22.70%
India	80	86	81	88	
W.Africa	87	92	84	79	-10.20%
USA	88	93	86	81	-8.00%
Brazil	88	92	85	80	-9.10%

6.3.3. Recommendations for Cotton Yarn Sector

Source: Cotton Association of India

- Extend ROSCTL to Cotton Yarn exports as given to Garment & Made-ups sectors
- Interest rates should be made available to Textile Industry at international competitive prices, failing which kindly extend 3% IES (Interest Equalization Scheme) to Cotton Yarn exports;
- Power should be made available at competitive prices and without any cross subsidy and surcharge
- Take up negotiations with China to give duty free access to Indian cotton textiles as it has been giving to the Vietnam, Pakistan, Indonesia and Cambodia under APTA

6.4. Fabric Sector

Fabric industry is highly critical for the overall growth of Textile & Apparel Sector. The fabric industry is highly job intensive. Out of the total jobs in the T&A industry, 18 million are from fabric manufacturing, which is the highest number. A large component of this industry as well as exports is from the power loom sector which is dominated by small and medium scale industries. Various studies conducted by the industry as well as the textile ministry show that fabric manufacturing creates 30-50 jobs for every crore invested in the sector.

Fabric Dyeing & Processing determines the strength of the textile value chain as it convert griegie fabric into fashion fabric for ready-made garment exports and made-ups exports. It is a critical segment where India lags behind. In India, there are very few large composite units with world class technology and requisite skills to produce fabrics, which meet the approval of the international buying houses. Number of Independent Process Houses (IPH), who also compete in the market and have developed capabilities and may come up in the future. In comparison to China, this sector lagged much more and suffers a huge cost disadvantage. This is mainly due to embedded taxes/levies, which are estimated about 5% of the sale value of processed fabric.

Indian fabric sector is not growing as it should be due to absence of certain policy reforms. In large T&A export countries like China, fabric accounts for ~20% of their exports while for India fabrics exports had a share of about 13% in total T&A exports during 2018-19. Since many countries around India like Bangladesh have preferential duty access to the EU, India can emerge as a fabric manufacturing hub and rapidly grow its exports to these countries.

• Weaving Sector:

- There has been considerable increase in the shuttle-less looms in the country due to government liberal policy for power loom sector.
- The mill sector share in woven fabric production is very low (~5%).
- De-centralized Power loom Sector constitutes 76% of the total woven fabric production.

• Knitting Sector

- Predominately decentralized sector
- Most of the knitting units are of small to medium scale
- India's share in world export of knit fabric is miniscule at about 1% against Chinas' share of more than 50% of world trade
- Small numbers of large knitting units having knit fabric dyeing facilities in house in the country
- Being neighbour to Bangladesh, which depends on fabric imports & predominantly exports knit garments, India's fabric exports can be boosted with capacity expansion and additional infrastructure

6.4.1. Production

Production of fabric by India increased by 5% as compared to last year to reach 70,046 million sq. m in 2018-19. While the production of fabric by mill sector decreased by 7%, decentralized sector shows a positive growth of 5% during the same year as shown in table 37.

Table 37: Production of Fabric (million sq m)

Particular	2015-16	2016-17	2017-18	2018-19 (P)	% Change
Mill Sector	2,315	2,264	2,157	2,012	-7%
Decentralized Sector	62,269	61,216	64,688	68,034	5%
Total (Excluding Khadi, Wool & Silk)	64,584	63,480	66,845	70,046	5%

Source: Office of Textile Commissioner

About 95% of the fabric produced by India is consumed domestically and remaining 5% is exported. Analysis of Export and Import of India's fabric is shown in Table 38

Table 38: India's Export & Import of Fabrics (mn Kg and mn Sq. m)

Year	2015-2016	2016-2017	2017-2018	2018-2019	% Change
Export					
In mn Kg	83	95	110	128	16%
In mn sq. meter	3,364	3,310	3,411	3,842	13%
Import					
In mn Kg	122	139	204	192	-5%
In mn sq. meter	1,473	1,468	1,829	2,086	14%

Source: DGCI&S

6.4.2. Key Issues

- Export of fabric products attracts about 6-7% of embedded taxes which do not get refunded to the exporters at any stage as shown in table 39 and table 40

Table 39 : List of Central Embedded Taxes to be considered for Drawback

Sl. No.	Description	Post-GST (Proposed)
1	Inverted duty structure on MMF without any credit in GST regime	0.00%
2	Embedded taxes in Farm Sector (incl. power and fuel)	1.04%
3	Excise duties on petroleum products	0.64%
4	Embedded taxes due to purchases from unregistered dealers	0.01%
5	Embedded GST taxes on inputs into exempt/ excluded sectors	0.75%
	- Blocked inputs taxes on Petroleum sector	0.15%
	- Electricity - (Blockage due to Coal used in Electricity)	0.07%
	- Power & Equipment	0.06%
	- Real estate - (Blockage due to GST taxes on construction inputs)	0.29%
	- Transport (tyres & tubes, spare parts, repairs & maintenance)	0.18%
6	BCD on Import of raw material - Cotton	1.30%
	MMF	1.50%
Total Blocked	Cotton Fabric	3.74%
	MMF Fabric	3.94%
DBK Refund	Cotton Fabric	1.60%
	MMF Fabric	1.80%
Net Blocked	Cotton Fabric	2.14%
Drawback	MMF Fabric	2.14%

Table 40 : List of State Embedded Taxes to be considered in ROSCTL

Sl. No.	Description	Post-GST (Proposed)
1	Inverted duty structure on MMF without any credit in GST regime [i]	0.00%
2	Embedded taxes in Farm Sector - (GST Taxes) [ii]	0.52%
	Farm sector (Power & Fuel) - (Non-GST taxes) [iii]	0.52%
3	State VAT on petroleum products	0.36%
4	Non-GST State taxes (Mandi tax + Power cross subsidy (0.5%), Stamp duties (0.04%, Electricity duties (1.77%))	2.31%
5	Embedded taxes due to purchases from unregistered dealers	0.01%
6	Embedded GST taxes on inputs into exempt/ excluded sectors	0.75%
	- Blocked inputs taxes on Petroleum sector [v]	0.15%
	- Electricity - (Blockage due to Coal used in Electricity) [vi]	0.07%
	- Power & Equipment -	0.06%
	- Real estate - (Blockage due to GST taxes on construction inputs) [vii]	0.29%
	- Transport (tyres & tubes, spare parts, repairs & maintenance) [viii]	0.18%
Total Blocked	Cotton Fabrics	4.47%
	MMF Fabrics	4.47%
	ROSL REFUND- Average	0.00%
Net Blocked	Cotton Fabrics	4.47%
ROSL	MMF Fabrics	4.47%

- Indian fabric sector is suffering from tariff differential duties in major markets as shown in table 41. Competitors, especially LDCs have the advantage of preferential duties in major export markets like USA, EU and China.

Table 41: Import Duty on Fabric by Countries on India and its Competitors

Countries	EU	China	Turkey	Vietnam
India	8.0%	10.0%	8.0%	12.0%
Bangladesh	0.0%	10.0%	0.0%	12.0%
Cambodia	0.0%	0.0%	0.0%	0.0%
Pakistan	0.0%	0.0%	6.4%	12.0%
Turkey	0.0%	10.0%		12.0%
Vietnam	6.4%	0.0%	6.4%	
Indonesia	6.4%	0.0%	6.4%	0.0%

- Big brands prefer quick supply chain solutions to meet its fashion demand in USA & Europe
- Fabric sector accounts for a large segment of NPAs for Indian banks

6.4.3. Recommendations

- Extend RoSCTL to Fabric exports as extended to Garments and Made-ups
- Treat Fabric at par with Made-ups for all the Policies
- Negotiate 0% import duty with China, equivalent to Vietnam, Pakistan and Indonesia

6.5. Garment Sector

India's garment sector is huge and provides employment to about 11.5 million people. For every Rs 1 lakh invested, apparel industry creates about 7 jobs. However, Indian garment sector is highly fragmented and decentralized segment of the textile and apparel value chain. This industry covers about 1 lakh units, spread across different clusters in India. Garment manufacturing units can be viable at all size levels, particularly because of low cost of plant and machinery, the units range from small to large, due to which as high as 90% of the manufacturing units fall under the Small and Medium Enterprises (SME) category. These small units lack high level of productivity when compared to manufacturing systems applied in neighboring countries like Bangladesh, Indonesia and China. As per Office of Textile Commissioner, garment sector is likely to provide employment to about 15.6 million people by 2025.

Indian garment industry manufacturers over 100 different types of garments for men, women and children. These includes overcoats/raincoats, suits, ensembles, jackets, dresses, skirts, trousers, shirts, blouses, inner-garments, T-shirts, jerseys/pullovers, babies' garments and parts of garments. In garment manufacturing, fabric constitutes about 65-70% of cost of production while labor make up a further 15% and the rest go for overheads and manufacturer's profit.

6.5.1. Production

During 2017-18, India's garment production stood at 20 bn pieces per annum which is likely to be almost similar for 2018-19 also. Exports accounts for about 20% of the total production while 80% of apparel manufactured is consumed domestically. Source: DGCI&S

During 2018-19, apparel exports stood at about 4 bn. pieces. While apparel exports have increased by a CAGR of 2% since 2014-15, imports have increased exponentially by a CAGR of 43% during the same time period as shown in table 42. Increase in apparel imports is mainly from low cost manufacturing destinations like Bangladesh, Sri-Lanka etc.

Table 42: Export-Import of Apparels from India (Million pieces)

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	CAGR
Export	3,891	3,939	4,183	4,110	4,157	2%
Import	237	312	335	596	983	43%

Source: DGCI&S

6.5.2. Key Issues

- India's share in imports of apparel & made ups by leading markets/countries like EU-28, Australia and Canada is low as compared to its competitors such as Vietnam, Bangladesh, Sri Lanka and Myanmar, thus requiring FTA with these countries
- Rising Imports and Challenges in Exports of Ready-Made Garments with Bangladesh**

Out of the total Textile & Clothing imports, Ready Made Garments (RMG) imports have a share of about 15% and stands at US\$ 1,106 mn. in 2018-19. During the last one year, India's import of RMG from Bangladesh has increased unprecedentedly by 82% reaching to US\$ 365 mn. accounting to 33% in India's total RMG imports as shown in Table 43

Table 43: India's Import of Readymade Garments (US\$ mn)

Apparel Imports	2016-17	2017-18	2018-19	% Growth 2017-18/ 2018-19	% Growth 2016-17/ 2018-19
World	596	773	1,106	43%	86%
Bangladesh	140	201	365	82%	161%
Bangladesh's Share in Total Imports of India	24%	26%	33%		

Source: DGCI&S

Categorical analysis of India's imports of RMG i.e. Knitted Apparel and Woven Apparel from Bangladesh shows that their imports have increased by 64% and 87% respectively during the last one year as shown in table 44

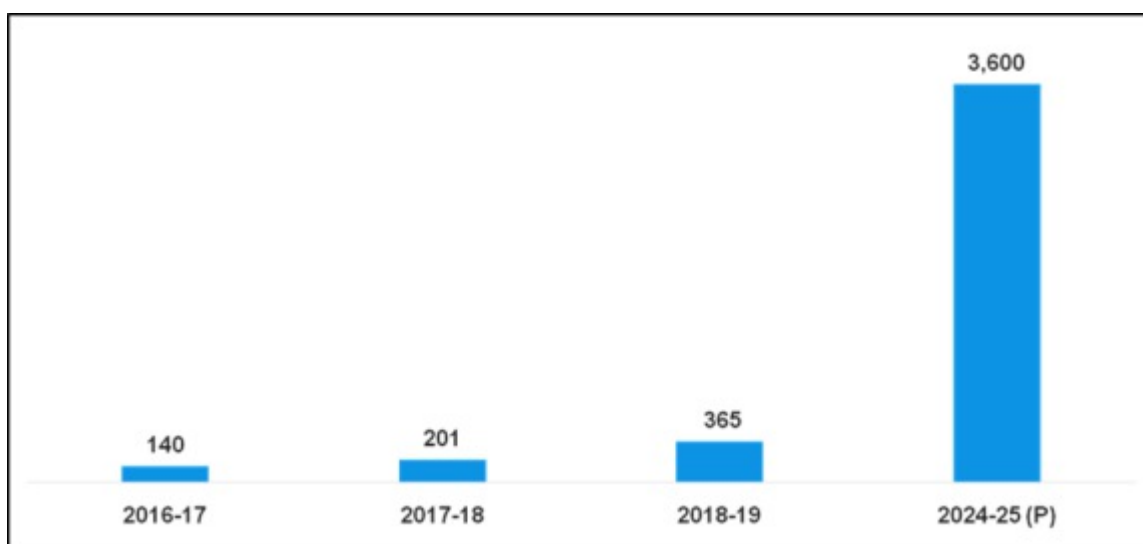
Table 44: Table 2: India's Imports of Garment from Bangladesh (US\$ Mn)

Commodity	2016-17	2017-18	2018-19	% Growth 2017-18/ 2018-19	% Growth 2016-17/ 2018-19
Knitted Apparel	33	49	80	64%	142%
Woven Apparel	107	152	285	87%	166%
TOTAL	140	201	365	82%	161%

Source: DGCI&S

Though the current import of US\$ 365 mn. from Bangladesh may not appear significant, but the rate at which imports are increasing indicates that these can pose problems over a period of time. Imports from Bangladesh can potentially go as high as US\$ 3.6 bn. by 2024-25 as shown in figure 18

Figure 18: India's Import of Apparel from Bangladesh (US\$ Mn)



Source: DGCI&S

Rising imports from Bangladesh would result in a potential loss of about 10 lakh jobs in apparel sector alone and about Rs. 6,200 crores of investment.

Indian RMG Sector is in a vulnerable position due to having FTAs with its immediate competitor, Bangladesh due to its lower labor cost- and duty-free access to MMF Fabric from China. Indian garment manufacturers have to pay 20% import duty on Chinese fabric. This is putting Indian Garment Industry at a major disadvantage and it is not only feared but proved now that this figure will go up further in the coming time as more Indian Brands have already shifted its sourcing from India to low-cost duty-free countries like Bangladesh and Sri Lanka. If Government of India doesn't take the above stringent steps to stop duty-free influx of garments from Bangladesh very soon the repercussion of the same will be seen in the form of unemployment in garment units, closure of garment units, shifting of business from India to low-cost countries like Bangladesh, Sri Lanka, Vietnam and African countries, etc.

In the Pre-GST scenario in 2016, import of Garments from Bangladesh was attracting a cost of Rs. 77/pc and Rs. 116/pc on MRP Rs. 999/pc and MRP Rs. 1500/pc, respectively in the shape of CVD + Education Cess thereon. However, Post-GST implementation, there is NO COST on import of Garments from Bangladesh. Similarly, in the case of import of Garments from other countries, the cost has been substantially reduced by Rs.77/pc and Rs.116/pc on MRP Rs. 999/pc and Rs. 1500/pc, respectively. Hence, Indian Garment Industry is facing a stiff competition from imported garments especially from Bangladesh and other countries where production cost is very low in comparison to India.

- Exporters also face various logistic issues in the form of congestion and delay at the Bangladesh border, which delays consignments up to 15 days leading to LC expiry and danger of rejection of orders by the importers in Bangladesh
- Non-uniform GST rates on sale of apparel products is also affecting the sale, particularly for those having MRP greater than Rs 1,000 and attracting 12% GST

1.2.3. Recommendations

- Urgent need to negotiate FTAs with large markets like EU, USA, Australia, Canada, Britain, etc. to ensure level playing field against competitors like Bangladesh, Vietnam, etc.
- Impose **Rules of Origin**, on apparel exports to India from Bangladesh. Yarn/Fabric forward rule needs to be enforced, so that duty free imports of only those garments are allowed which are manufactured from Indian or Bangladesh's yarn/fabric. This rule should be applied for countries like Bangladesh and Sri Lanka that have FTAs with India to prevent import of cheaper fabrics produced by countries like China and others routed through FTA countries.
- There is also a potential for India to export more apparels to Bangladesh. This can be achieved by initiating **Reciprocal Duty Structure of India with Bangladesh**. Under the SAFTA agreement, India has provided duty free market access to Bangladesh but Bangladesh on the other hand does not provide India with a preferential duty benefit. Currently, apart from the Basic Customs Duty of 25%, there are a host of other Duties levied on IMPORTS FROM INDIA TOTALING TO ALMOST 128%. This seems blatantly one sided. In order to ensure, Foreign Brands don't use India as an entry route to and Bangladesh, the reciprocal import duty structure should be applicable for Brands/Retailers registered in India and owned by Indian companies.

Retail market in Bangladesh is in nascent stage and has high growth potential. Owing to similar culture and social factors, Indian Brands/Retailers are well positioned to establish themselves and grow in Bangladesh. However, at present India's share in Bangladesh import of apparel is small as shown in table 45

Table 45: India's Export of Garment to Bangladesh (US\$ Mn)

	2016-2017	2017-18	2018-19
India's Export	17,388	16,722	16,156
Export to Bangladesh	78.1	40.9	28.5
India's Share	0.4%	0.2%	0.2%

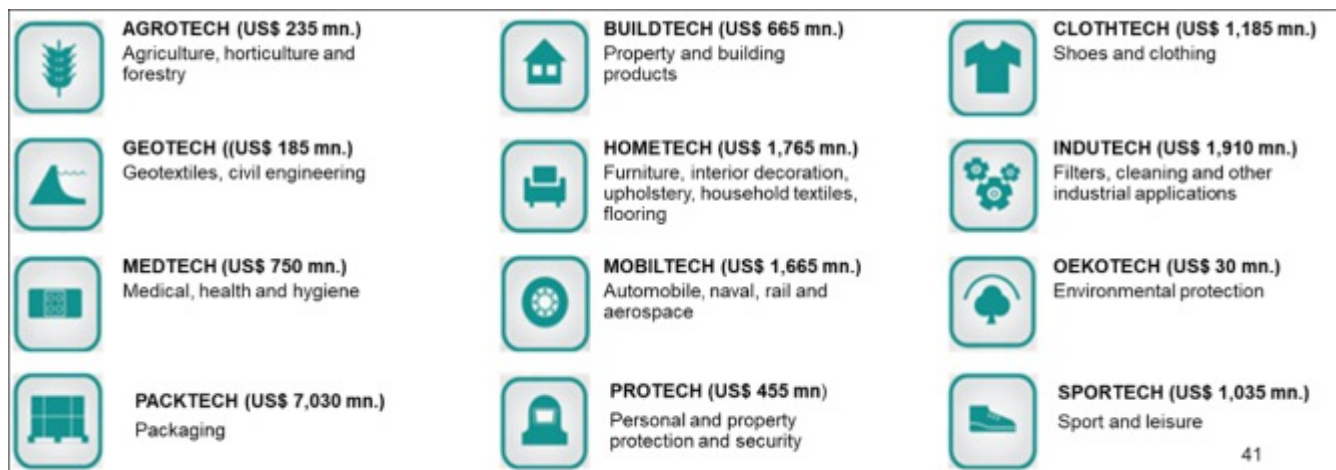
Source: DGCI&S

- WTO compliant export incentives are needed to replace MEIS to ensure exports of Garments and Made-ups remain competitive
- To enhance the domestic demand of apparel, increase the threshold limit to Rs.1,500/- from the present level of Rs.1,000/- on sale of apparel bearing 5% GST

6.6. Technical Textiles

Unlike other textile sectors, Indian technical textile industry is an import intensive sector. Global demand for technical textiles has been continuously increasing owing to the rising base of applications of textiles across different industries like automotive, construction, healthcare, protective clothing, agriculture, sportswear, environmental protection etc. The technical textile industry is characterized by range and diversity of raw materials, processes, products and applications. World over, a lot of focus has been put towards developing high value-added technical textiles products characterized by huge R&D investments, strict standards and systems that eventually results in innovations and novel products. Europe and China are the giants of technical textile manufacturing, taking up more than 75% share of global production, while India accounts for only around 4% of the global technical textiles production and exports. Segmentation of Technical textiles is shown in figure 19

Figure 19: Segmentation of Technical Textiles



Source: Office of Textile Commissioner

India still has a long way to go as it currently lacks the ability to domestically fulfil the rising demand and to globally competitive in this sector. India has an immense scope to reduce technical textiles imports by strengthening domestic manufacturing. On these lines, both Central and State Governments are promoting technical textiles through various schemes and projects. So far, Government of India has established eight Centers of Excellence (CoE) on technical textile.

6.6.1. Issues:

- High dependency on imports for raw materials
- Lack of awareness of the benefits of technical textiles
- Absence of skilled workforce
- Lack of standardization
- R&D deficit leading to globally uncompetitive products

6.6.2. Recommendations

- Extend RoSCTL and Interest Equalisation Scheme (IES) for Technical Textiles sector as it has huge growth potential.
- Government should establish regulatory norms for mandatory usage of technical textile items in specific industries to increase consumption where benefits are established
- Attract foreign direct investment in order to get the requisite technical know-how and expertise – export incentives to investing companies that establish manufacture of specialty Fibre as the external market will sustain viability of investment till domestic demand doesn't pick up
- Provide capital subsidy for establishing special Fibre manufacturing
- Waiver on customs duties for import of capital equipment
- Many high-performance fibres are not produced in India and are imported with high import duty. Such high import duty needs to be reduced to minimum level to make Technical Textiles products cost competitive

6.7. Other Key Issues & Recommendations

6.7.1. Surge in Imports Post GST

Post GST, India is experiencing big threat of imports of textile & apparel products as shown in table 46. During the Pre-GST regime, import of textile products were attracting BCD plus CVD and SAD. However, post-GST, CVD and SAD were withdrawn and IGST was introduced due to which, post GST the effective import duties have come down steeply, thus, making imports cheaper for the domestic industry by 15-20%. This change in import duties of textile products has adversely affected the entire textile value chain resulting in increase in imports from competing countries like China, Indonesia, Thailand, etc. In case of FTAs, the situation is worse, as we have NIL protection. FTA nations like Bangladesh/Sri Lanka also act as a route for other country products especially apparel products.

Table 46: India's T&A imports post GST (US\$ bn)

Row Labels	2016-17	2017-18	2018-19	% Change FY 17-Fy 18	% Change FY 17-Fy 19
Fibre	2.5	2.6	2.4	5%	-7%
Yarn	0.3	0.4	0.4	31%	-5%
Fabric	1.8	2.3	2.5	27%	6%
Apparel	0.6	0.8	1.1	30%	43%
Home Textiles	0.3	0.3	0.3	13%	-3%
Others	0.6	0.6	0.7	10%	15%
Total	6.0	7.0	7.4	16%	5%

Source: DGCI&S

There is an urgent need to take some appropriate measures/safeguards for restricting textiles and apparels imports in India:

- SAFTA and other FTA agreement to be amended for Rule of Origin
- Increase import duty to 20% as done selectively for few fabric products last year as in many cases like Viscose Spun Yarn, effective customs duty is still 5%.
- Cross subsidy cost in electricity etc. needs to be removed

6.7.2. Widening Trade Gap with China

India's trade deficit with China is huge and is a matter of great concern for us. India's trade deficit with China has increased from US\$ 51.1 billion in 2016-17 to US\$ 53.6 billion in 2018-19. India's bilateral trade with China was US\$ 87 billion in 2018-19.

India's exports of Textile and Clothing to China declined from US\$ 4,271mn in 2011-12 to US\$ 2,183 mn in 2018-19 as shown in table 47. It is pertinent to mention that during 2010-11 to 2013-14, India was a net exporter of textile and apparel products to China. However, after that India's trade deficit with China increased gradually.

Table 47: India's Textile and Apparel Trade with China (US\$ Mn)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Exports	2,110	4,271	3,614	4,071	2,593	1,969	1,667	1,362	2,183
Imports	1,834	2,247	2,314	2,351	2,624	2,518	2,302	2,905	2,817
Trade Deficit	275	2,025	1,300	1,719	-(31)	-(549)	-(635)	-(1,543)	-(633)

Source: DGCI&S

Amongst the very few items in which India is more competitive than China is cotton based textiles i.e. yarn, fabric and made-ups. However, our competing countries such as Vietnam, Indonesia, Pakistan and Cambodia enjoy duty free access in different segments of cotton textiles while Indian products carry 3.5%, 10% and 14% duty on yarn, fabric and made-ups, respectively as shown in table 48

Table 48: Tariff rates (%) imposed by China

Countries	Yarn	Fabric	Made-ups
Bangladesh	3.5	8.5	11.5
Brazil	5	10	14
Cambodia	0	0	0
India	3.5	10	14
Indonesia	3.5	0	0
Pakistan	3.5	0	5
Turkey	5	10	14
Vietnam	0	0	0
S Korea	3.5	10	14

India's cotton yarn exports to China have decreased by 37% from 2013 to 2018 while Vietnam's exports of cotton yarn to China have increased by about 139% during the same period as shown in table 49

Table 49: Cotton Yarn Imports by China (US\$ Mn)

Supplier	2013	2014	2015	2016	2017	2018	% Change
India	2,033	1,640	1,868	1,047	1,071	1,273	-37%
Vietnam	900	1,263	1,422	1,668	2,029	2,146	139%

Source: ITC TradeMap

Moreover, the profit margins in the cotton textiles industry are very thin, in single digit only. Therefore, the industry is very sensitive to even small changes. Hence, if a level playing field is given to India like its competitors, it can double its exports plus help in reducing trade deficit with China.

In view of the above, it is necessary to take up negotiations with China to give duty free access to Indian cotton textiles as it has been giving to the Vietnam, Indonesia and Cambodia under APTA or any other suitable forum. As there is a trade deficit overall and also in Textiles, it is important to get a level playing field from China in cotton textiles where India has a competitive advantage. As China is already importing the same from other countries, so it will not also impact their domestic industry.

6.7.3. Regional Comprehensive Economic Partnership (RCEP)

RCEP is the proposed comprehensive regional economic integration agreement amongst the 10-ASEAN countries (Brunei, Cambodia, Indonesia, Malaysia, Myanmar, Singapore, Thailand, the Philippines, Laos and Vietnam) and its six free-trade agreement partners—Australia, New Zealand, Japan, China, Korea and India. The proposed RCEP is gigantic in size and scope and contributes approximately 39% of global GDP and 40% of world trade. The region is also home to almost half (45%) of the world's population. The RCEP initiative linking ASEAN and the group's FTA partners is the largest FTA negotiation in Asia and the biggest FTA negotiation that India has ever participated in. It would create world's largest trading bloc.

Recognizing the ASEAN Framework for Regional Comprehensive Economic Partnership (RCEP), the objective of launching RCEP negotiations is to achieve a modern, comprehensive, high-quality and mutually beneficial economic partnership agreement among the ASEAN Member States and ASEAN's FTA Partners. RCEP will cover trade in goods, trade in services, investment, economic and technical cooperation, intellectual property, competition, dispute settlement and other issues.

Negotiations for the RCEP will recognize ASEAN Centrality in the emerging regional economic architecture and the interests of ASEAN's FTA Partners in supporting and contributing to economic integration, equitable economic development and strengthening economic cooperation among the participating countries. Negotiations were launched in November 2012 and the first round of negotiations was held in 2013. Till date, negotiations involving 24 rounds of talks at the expert level and 13 ministerial meetings have taken place. 7 of the 16 chapters of the RCEP have already been finalized, including economic and technical cooperation, customs procedures and trade facilitation, and government procurement.

Discussions are underway on three crucial unfinished chapters- on Trade, Services and Investments. However, significant challenges remain after five years of negotiations. To begin with, the unique element about RCEP is that it includes developed as well as the less developed countries and hence has resulted in slower progress in talks due to a combination of technical hurdles, domestic politics and rising protectionism in the Asia- Pacific region. While members are keen on quick conclusion of the deal, limiting their ambitions to a common schedule promising more tariff cuts, a hurried deal for safeguarding strategic insurance might be difficult to sell to domestic constituencies of the grouping's two largest democracies – India and Australia. India in particular, has been unwilling to yield ground on tariffs and greater market access sought by other members till it is granted equally meaningful reciprocal access elsewhere.

At present, RCEP is one of the biggest threats for the Indian textile & apparel industry. Amongst all the RCEP countries, China is the biggest threat for India's T&A sector as during 2018-19, India had a trade deficit of US\$ 633 mn. in T&A trade with China. India need to be extra cautious while signing RCEP with China or else China will flood the Indian market with its cheap T&A products thus defeating the purpose of Make in India initiative of Government.

India's T&A trade with RCEP countries is shown in table 50

Table 50: India's T&A trade with RCEP countries

Countries	Export (US\$ Mn)			Import (US\$ Mn)			Total Trade (US\$ Mn)			Trade Balance (US\$ Mn)		
	2017-18	2018-19	% Change	2017-18	2018-19	% Change	2017-18	2018-19	% Change	2017-18	2018-19	% Change
ASEAN Countries												
Brunei	8	2	-78%	-	-		8	2		8	2	-78%
Cambodia	32	32	-1%	16	22	39%	49	55	12%	16	10	-40%
Indonesia	262	232	-11%	179	235	32%	440	467	6%	83	(4)	-104%
Laos	0.44	0.46	5%	-	-		0	0	5%	0	0	5%
Malaysia	255	263	3%	70	69	-2%	325	332	2%	184	194	5%
Myanmar	79	86	9%	2	4	110%	81	90	11%	77	83	7%
Phillipines	62	103	65%	6	6	-2%	69	109	59%	56	97	73%
Singapore	86	67	-22%	31	70	130%	117	137	18%	56	(3)	-105%
Thailand	219	267	22%	162	180	11%	381	447	18%	56	87	54%
Vietnam	555	578	4%	265	304	15%	820	882	8%	290	274	-5%
Total ASEAN Countries	1,558	1,632	5%	731	891	22%	2,289	2,523	10%	827	741	-10%
Others												
Australia	430	445	3%	326	266	-18%	756	711	-6%	104	179	72%
China	1,362	2,183	60%	2,905	2,816	-3%	4,267	5,000	17%	(1,543)	(633)	-59%
Japan	380	425	12%	136	147	8%	515	572	11%	244	278	14%
New Zealand	71	79	12%	27	23	-15%	98	103	4%	44	56	29%
South Korea	384	459	19%	182	209	15%	565	668	18%	202	249	23%
Total Others	2,627	3,591	37%	3,576	3,462	-3%	6,202	7,053	14%	(949)	130	-114%
Total RCEP	4,185	5,223	25%	4,306	4,353	1%	8,491	9,575	13%	(122)	870	-815%
Particular	Export (US\$ Mn)		% Change	Import (US\$ Mn)		% Change	Total Trade (US\$ Mn)		% Change	Trade Surplus (US\$ Mn)		% Change
India's Global	36,748	37,497	2%	7,036	7,393	5%	43,784	44,890	3%	29,712	30,104	1%
% Share of India's T&C Trade With ASEAN	4%	4%	3%	10%	12%	16%	5%	6%	7%	3%	2%	-12%
% Share of India's T&C Trade With RCEP	11%	14%	22%	61%	59%	-4%	19%	21%	10%	0%	3%	-805%

Source: DGCI&S

Suggestions for RCEP

- **India needs Stricter Rules of Origin**

India may moot stricter rules of origin in the Regional Comprehensive Economic Partnership (RCEP) trade agreement to prevent Chinese goods from indirectly flooding the country.

Rules of origin are the criteria needed to determine the source country of a product, based on which they get tariff concessions or are subjected to duties. India proposes **that the last country from which a product is exported should do the highest value addition with the help of indigenous inputs.** Although, stricter rules of origin with China **may not benefit** as Beijing circumvents its exports through India's other neighbors. We need origin norms with Bangladesh because China circumvents its textiles from there.

- **Negotiate the much-needed space to its real sectors to gain competitive edge**

Trade liberalization via FTAs is not necessarily beneficial for every country. If countries are not able to give their producers the right conditions, engaging in trade liberalisation can seriously hurt.

A case in point is the existing FTA of India with Korea and Japan. Though the FTAs were envisaged to promote trade between the two countries, much of the trade post-FTA has been one-sided and India has substantial trade deficit with both Korea and Japan.

In each of these agreements, India had seen a ballooning of its trade deficits, caused by a steep rise in imports and lack of export penetration in the markets of FTA partners. India's trade with ASEAN and Korea has seen a near doubling of the deficit since 2009-10, when these agreements were being finalized, while with Japan, the deficit had grown at a lesser pace. In fact, India's trade deficit with the RPCs in 2017-18 was well over USD 104 billion, as against the overall deficit of USD 162 billion.

- **Adopt Permanent Safeguard Measures in place of Transitional**

India may adopt permanent safeguard measures as RCEP members including China, South Korea and Japan are major exporting countries and Indonesia, Vietnam, etc. have competitive advantages in plantations. Further transitional measures may be against “Make in India” initiative due to changing market dynamics.

- **Maximum Tenure of Anti-Dumping duty with Sunset Reviews**

India may adopt maximum tenure of Anti-Dumping Duty with Sunset Reviews as no specific time frame has been provided in the WTO Anti-dumping agreement regarding tenure of anti-dumping duties in sunset review case. The tenure of the Sunset Review should be decided on merits i.e. likelihood of continuation or recurrence of dumping & injury. Most of the countries have imposed duties on India since last two decades. Hence, there should not be any artificial capping on the tenure of anti-dumping duty in Sunset Reviews.

- **Non-Refund of embedded taxes to the T&C Industry**

There are many embedded taxes which are not covered under GST such as agriculture cess, power and fuel surcharges, etc. which come between 5-8% of the total cost of the product. These taxes are not refunded to the exporters at any stage hence getting exported and substantially eroding the cost competitiveness of our products in international markets. Until and unless, government reimburses these taxes through ROSCTL to the entire textile value chain as being provided to garments and made-

ups sectors, it will not be possible for the exporters to enhance their export performance and reap the RCEP market.

- **Inclusion of provisional safeguard measures –**

India may recommend for a provision to impose provisional safeguard under RCEP considering the fact that RCEP members are majorly export centric, and therefore may not require provisional safeguard provision. Moreover, there is a specific provision for safeguard measures both in the WTO Agreement and Indian Law.

- **Consideration of Public Interest in AD/CVD investigations –**

The Government may consider introduction of the public interest in the AD/CVD both in RCEP as well as in general (permanent measures) in the larger interest of the public.

- **Separate rules for safeguard provisions under various regional arrangements –**

India has notified safeguard rules for only a few FTAs like India-Singapore, India-ASIAN, etc. while for majority of FTAs rules were not notified like India-Mercosur, etc. Hence, it is better to adopt the well-established provisions of the WTO Agreement on Safeguards in general.

7.6.4. Border Issues and Suggestions

Indian exporters face a number of issues while exporting T&A commodities to neighboring countries particularly with Bangladesh. However, these issues can be resolved by adopting the following measures:

- Central Warehousing Corporation should install a portal with mobile app for seamless movement of textiles & apparel products from India to Bangladesh
- India can send consolidated containers from India to Bangladesh
- Establishing mutual agreement between textile trade associations of both the countries to overcome the common issues and facilitate smooth trade between two countries.
- Establish Satellite terminal for ICP Petrapole
- Developing cargo terminal at ICP Petrapole
- Use of parking booking software application
- Allow two-way truck movement

7.6.5. TUFS Issues

- **Committed liability & non-release of pending TUFS subsidies**
 - Number of affected cases - 9,303 & subsidy amount blocked - Rs. 6,000 crores
 - NABCONS entrusted to conduct the study on 9th January 2017, however, they have submitted their report in only 1800 cases out of total 9,303

- IMSC in its third meeting held on 27 Feb 2019 has decided that Secretary Textiles in consultation with Ministry of Finance would review the whole process and formulate a way forward towards getting all the committed liability data reconciled which could not be verified by the NABCONS

· **Poor performance of Amended TUFs**

- Around 5,500 UIDs issued in last 2 years covering a project cost of around Rs. 21,000 crores involving around Rs.1,600 crores subsidy
- But the disbursement under the scheme is less than Rs.3 crore covering only 30 beneficiaries
- Delay in Issuance of UIDs under A-TUF for new projects
- Delay in getting funds in RR-TUFS due to JIT evaluation made compulsory
- ATUFS may be amended by removing the cap so that the units which have repaid back the loan taken under TUFs scheme greater than Rs. 30 crores may be made eligible

7.6.6. GST Related Issues

- Streamline certain unresolved textile related issues
- Expedite refunds for inverted duty structure and correct the refund format (RFD01)
- Simplify returns for MSME segment

7.6.7. Other Issues

- Indian T&A sector should be exempted from all cross subsidies like electricity, interest, etc as it has to compete in exports and domestic (via imports) with global players
- 3% Interest Equalization Scheme should be extended to the merchant exporters
- Alternative WTO compliant scheme for MEIS and other export incentives
- FTA with major T&C importing countries namely EU and USA be put on fast track
- Negotiations with China to give duty free access to Indian cotton textiles as India's trade deficit with China is high and increasing
- Recent exorbitant hike in fire insurance premium for textile industry may be reviewed and accordingly amended
- Advisory Industry Council should be created with knowledgeable industry people (non-Association people)
- Skill development schemes to be allocated to textiles on priority

1.4.8. Infrastructure Related Recommendations

There is an urgent need for plug & play Mega - Weaving and Apparel/Made-up Clusters

- Minimum 1,000 acres each, in 2 States having:
 - location advantage
 - availability of water
 - low labour cost
- These may provide:
 - Central Government to fund infrastructure development for common facilities
 - Ease of doing business – all prior govt. approvals in place, single window clearance
 - Bonded warehouse, Customs and Clearing
 - Facilities for housing

The above recommendations will result in:

- Employment Generation (1 crore invested in textiles can create 30-60 jobs, depending on the stage of production)
- Increase in farmers income (As a result of improved cotton productivity)
- Foreign exchange earnings
- Create inherent competitive strength

7. Key Happenings in Textile Industry – India & Global

Key happenings in Textile & Apparel sector in India and on Global front is shown below

2.1. National

- Notification of 207 HSN Codes in Technical Textiles.
- Hank Yarn Packing Provisions Amended
- Scheme to Rebate State and Central Embedded Taxes to Support the Textile Sector (RoSCTL)
- Women-Empowerment Schemes in the Textile Industry
- SAATHI (Sustainable and Accelerated Adoption of efficient Textile technologies to Help Small Industries)
- Yarn Bank Scheme
- Establishment of Centres of Excellence for G.I. Products

a) Notification of 207 HSN Codes in Technical Textiles

Technical Textile Sector is the Sunshine Sector of the Textile Industry. It is one of the fastest growing segments of the Indian Economy. The Technical Textile sector is expected to see a double-digit growth in coming years. The technical textile sector is projected to reach a market size of Rs. 2 lakh crores by 2020-21. Technical Textiles industry is continuously evolving with several of the Traditional materials being substituted by Technical Textiles due to advantages such as cost and performance.

Technical textiles are textile materials and products used for their technical performance and functional properties. Unlike conventional textiles used traditionally for clothing or furnishing, Technical textiles are used basically on account of their specific physical and functional properties and mostly by other user industries and many institutional buyers.

To fulfill long-standing demand of industry to declare Technical Textile items as separate category, Government of India notified 207 HSN Codes as Technical Textiles.

To monitor the data of import and export and in order to provide any fiscal support to the technical textile sector, the first step was to recognize and notify separately the technical textiles items spread from chapter 1 to 99 of HSN classification book.

This step along with other ongoing government schemes pertaining to Technical Textile like Technology Mission on Technical Textiles (TMTT), Scheme For Promoting Usage of Agrotexels /Geotexels in North East Region, etc will give a major boost to the Technical Textile sector in India and Further, to boost the technical textile sector, Ministry of Textiles has taken the initiative of persuading all the user Ministries at the highest level to incorporate the technical textiles in their specifications, manuals, guidelines etc. It is expected that this step of Government will act as a catalyst for achieving the desired market size of Technical Textiles up to Rs.2.00 lakh crore by 2020-21.

b) Hank Yarn Packing Provisions Amended

Union Ministry of Textiles has amended hank yarn packing notification No. 2/TDRO/8/2003 dated 17.4.2013 read with amendment Notifications No.4/TDRO/8/2010 dated 31.3.2010, No. 5/TDRO/8/2015 dated 2.9.2015 and No.6/TDRO/8/2015 dated 25.5/2018.

The Hank Yarn Obligation (HYO) is a statutory obligation which enjoins upon spinning mills to pack yarn in hank form. This Scheme is meant for protection of the handloom industry by way of ensuring that the yarn in hank form is available in adequate quantity at reasonable prices to the handloom industry.

Now every producer of yarn who packs yarn for civil consumption will pack yarn in hank form in each quarterly period commencing from January-March 2019 and every subsequent quarterly period, in proportion of not less than 30% of total yarn packed by him during each quarterly period for civil consumption. However, not less than 80% of the yarn required to be packed in hank form shall be of counts 80s and below.

Previously, this proportion was 40% of total yarn packed.

This notification came into effect from 1 January, 2019.

c) Scheme to Rebate State and Central Embedded Taxes to Support the Textile Sector (RoSCTL)

The Union Cabinet chaired by Prime Minister Narendra Modi approved the Scheme to Rebate State and Central Embedded Taxes to Support the Textile Sector. This will enable the Government to take various measures for making exports of apparel and made-ups zero rated.

At present, apparel and made-ups segments are supported under the Scheme for Rebate of State Levies (RoSL). However, certain State as well as Central Taxes continued to be present in the cost of exports. The Cabinet decision provides for a scheme to rebate all embedded State and Central Taxes/levies for apparel and made-ups which have a combined share of around 56% in India's textile export basket. Rebate of taxes/levies has been permitted through an IT-driven scrip system at notified rates.

Benefits

The proposed measures are expected to make the textile sector competitive. Rebate of all Embedded State and Central taxes/levies for apparel and made-ups segments would make exports zero-rated, thereby boosting India's competitiveness in export markets and ensure equitable and inclusive growth of textile and apparel sector.

d) Women-Empowerment Schemes in the Textile Industry

Government of India, in order to empower Women and increase their employment number have taken certain initiatives. Various schemes in T&A sector which helped in women empowerment is shown in table 51

*Table 51: Achievements & Initiatives Taken For Women Empowerment
(April, 2014 to February, 2019)*

Name of the Scheme	Number of Projects	Fund sanctioned (Rs. In lakhs)	Artisans benefitted/ covered	Women artisans Benefitted	Remarks
Base Line Survey & Mobilization of Artisans (AHVY)	520	5912.62	311983	109180	Out of 520 Running Clusters 160 clusters (5459 Self Help Groups are exclusively run by women artisans.
Design & Technology Upgradation	890	6182.3	34810	13924	4190 tool kits distributed to women artisans during last 5 years.
Human Resource Development	2218	9896.33	48281	14484	Under Guru Shishya Parampara component, out of 505 programmes, 152 programmes sanctioned to Women Master trainers during last 5 years.
Marketing Support & Services	1186	17937.44	67216	13440	
Research & Development	726	2413.62	18200	7280	
Mega cluster/IDPH	14	22665.02	252695	90770	
Direct Benefit to Artisans/Welfare Scheme	48	3195.05	478252	267821	
TOTAL	5602	68202.38	1211437	516899	

Source: PIB, Ministry of Textiles

Also, Ministry of Textiles held special marketing events for women artisans on March 08, 2019- International Women's Day.

- **Silk Sector:**

In India, sericulture development is inextricably woven with participation of women and the production of silk has been recognized as an occupation of the women, for the women and by the women. Ministry of Textiles has taken measures for empowering women through sericulture through various activities.

- **Women Empowerment under Silk Samagra:**

Sericulture is mainly known as a house hold activity being practiced by women. About 55% of women are engaged in silk production value chain. Under Silk Samagra, Government of India has set a target to produce 38500 MTs of raw silk and to generate 100 lakh productive employment from 78.50 lakhs in 2013-14 (additional 21.50 lakh). With this the employment of women in sericulture is expected to increase to 55 lakh in 2020 from 43.20 lakh.

- **Buniyaad to eradicate thigh Reeling:**

Tasar silk is produced in India mainly by tribal women through the age old thigh reeling practice which is unhygienic, labor intensive, involves drudgery and is unproductive. Invariably, this practice leads to skin blemishes, allergies and infections besides, causing more inconvenience to women Tasar reelers. In order to eradicate this thigh reeling practice, the Government has decided to completely eradicate the thigh reeling with improved Buniyaad Reeling Machines by supplying 10,000 machines by 2020. Towards this, 4956 machines are being supplied to the women beneficiaries by March 2019 so as to ensure good health, hygiene besides rightful earning to the poor rural and tribal women reelers.

- **Act East Initiatives:**

To create livelihood opportunities in North East Region, in line with the Act East initiative of Prime Minister of India, the Textiles Ministry is implementing 32 projects under its North East Region Textile Promotion Scheme (NERTPS) from 2014-15 onwards with Central Government's share of Rs.849 crore through various segments of silk production value chain from farm to fabric. It is directly benefiting 60,000 beneficiaries covering around 45,000 women beneficiaries.

- **Powerloom Sector:**

Stand-up India Scheme is available for new Power loom units established by a person who belongs to SC/ST/woman entrepreneur category and financial assistance to the tune of 25% margin money (Max. Rs.25 lakh) on the machinery cost is admissible subject to the borrower bringing up on 10% of the project cost as his/her own contribution. Under this scheme, reimbursements of credit guarantee fee up to 1% of the loan amount is also allowed.

Till date, out of 276 applications submitted through online system for Stand-up India scheme under Powertex India Scheme, 250 applications pertain to women entrepreneurs. The estimated investment is about Rs. 200 crores from 01-04-2017 to till date.

· **Integrated Skill Development Scheme (ISDS):**

With a view to address the critical skill gap in the textile sector, the Ministry of Textiles introduced ISDS. Under this scheme, 6, 41,983 women were trained since 2014-15 to 2018-19 which is 72% of total trained under the scheme. Out of this 6,17,915 have been assessed and 5,32,660 have been placed in their respective sectors.

e) SAATHI (Sustainable and Accelerated Adoption of efficient Textile technologies to Help Small Industries)

Ministry of Textiles and Ministry of Power have joined hands under the initiative SAATHI (Sustainable and Accelerated Adoption of efficient Textile technologies to Help Small Industries) in order to sustain and accelerate the adoption of energy efficient textile technologies in the power loom sector and cost savings due to use of such technology.

Energy Efficiency Services Limited (EESL), a Public Sector entity under the administrative control of Ministry of Power, will replace old inefficient electric motors with energy efficient IE3 motors which will result in energy and cost saving up to 10-15% in the first phase.

The use of these efficient equipment will result in energy savings and cost savings to the unit owners at no upfront cost.

Power loom clusters at Ichalkaranji, Bhiwandi, Erode, Surat, Bhilwara and Panipat have been identified for pilot study.

f) Yarn Bank Scheme

To avoid fluctuation in yarn price, government has launched a Yarn Bank Scheme as one of the components of PowerTex India with effect from 01.04.2017 to 31.03.2020. The Scheme provides interest free corpus fund up to Rs.2.00 crore to the Special Purpose Vehicle (SPV)/Consortium formed by power loom weavers to enable them to purchase yarn at wholesale rate and give the yarn at reasonable price to the small weavers to avoid middleman and local supplier's brokerage charge on sales of yarn. In this regard, Ministry of textiles also formed two special purpose vehicles (SPVs) namely Ved Road Art Silk Small Scale Cooperative Federation Limited and Pandesara Weavers Cooperative Society Limited in Gujarat for setting up **India's first yarn bank** under the Integrated Scheme for Power loom Sector Development (ISPSD).

7.2. Global

- US – China Trade War
- EU-Vietnam FTA

a) USA- China Trade War

The ongoing trade war between the United States of America (USA) and China, where the US has hiked additional tariff to 25% on \$200 billion imports from China, applicable from May 10, 2019 as shown in table 52 and China's retaliatory tariffs has provided ample opportunity to India to enhance trade. The additional tariff hike does not include garments and made-ups segments which means that there will be no additional advantage for the apparel & made-ups exporters from the above development.

Table 52: Summary of USA's Imports of Textile Products from China on which Additional Tariff is increased from 10% to 25%

Summary of USA's Imports of Textile Products from China on which Additional Tariff is increased from 10% to 25%				
Chapter	Description	No. of Tariff Lines at 10-Digit	USA's Imports from China (US\$ million)	USA's Imports from India (US\$ million)
			2018	2018
50	Silk	34	23.17	11.15
51	Wool	109	24.69	3.36
52	Cotton	520	207.69	97.30
53	Other Vegetable Fibres	61	35.34	57.62
54	Manmade Filaments	269	614.26	193.58
55	Manmade Staple Fibres	388	392.68	113.69
56	Nonwovens Cordage	77	709.69	95.02
57	Floor Coverings	74	737.85	906.47
58	Special Woven Fabrics	107	216.94	37.28
59	Coated and Industrial Fabrics	75	610.58	115.62
60	Knitted Fabrics	97	386.09	75.97
	Total	1811	3959	1707
Source: Office of Textile and Apparel, USA				

Source: Office of Textile and Apparel, USA

India has a big opportunity to increase its exports in all the sectors including Textiles. The Possible reason can be pointed out as under:

First, India is only one among the alternative countries being considered by major international companies as an investment destination. Indonesia, Malaysia, Mexico, Thailand and Vietnam all have relatively easier access to large markets.

Second, India's domestic market is large, but the focus of most large firms with major international brands and global presence is on exports and maintaining their global value chains (GVCs). China's 2018 exports to the US at \$560 billion were nearly double of India's total exports. According to United Nations Conference on Trade and Development (UNCTAD), multinational companies account for 80% of GVCs.

Third, India's aspirations to double its exports and create jobs depend on its success to link up effectively with GVCs. As the seventh largest global economy and the 20th largest goods exporter, India is not yet a significant presence in GVCs.

Fourth, to establish domestic capacity for export hubs and GVCs, strong presence of 'lead firms' that manage the GVCs becomes essential. These 'lead firms' are usually those with major global brands that can place their exports in most markets of the world.

Fifth, for competing with other nations to attract major investments away from China, India needs to emphasize and improve implementation of support policies, with a new flagship programme, 'India: Making for the World'. Major global companies make investment decisions significantly based on ease of operational conditions and stable policy regimes

b) EU-Vietnam FTA

The European Union has inked a landmark free trade deal with Vietnam, paving the way for tariff reductions on 99% of goods between the 28-member bloc and the Southeast Asian country.

Although it is a landmark deal but it is a double whammy for India's the textiles and apparel sector. First, Vietnam's textiles-apparel industry has decidedly gained an advantage over India as far as exports to most European countries are concerned. And second, Vietnam has got the FTA that it badly wanted, stealing a march over India-the former's parleys with the EU began just as those of the latter ran into a bottleneck.

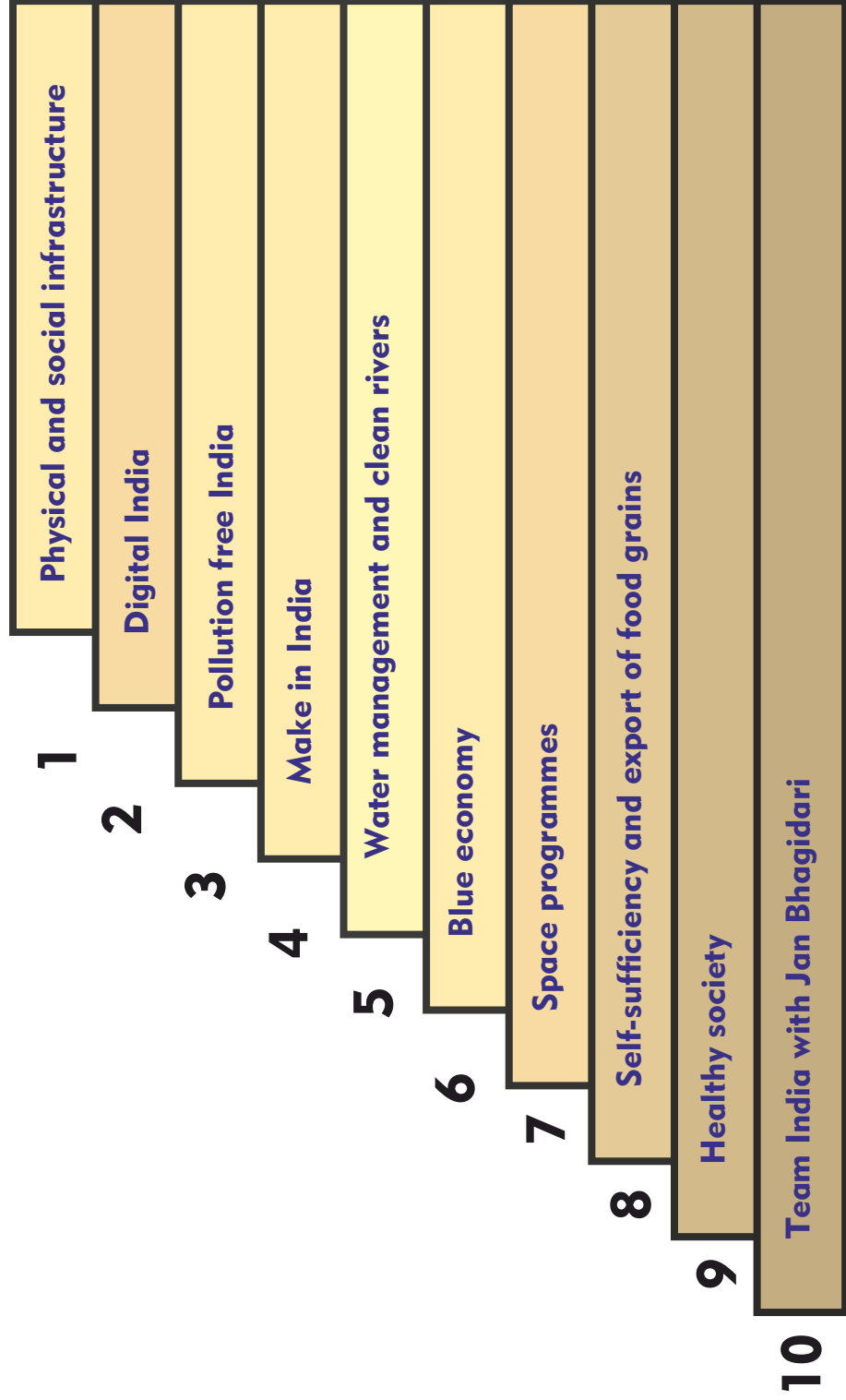
The timing of the EU-Vietnam agreement may not have been remarkable, but the context certainly was. It came just two days after the EU and South American bloc Mercosur (an economic and political bloc comprising Argentina, Brazil, Paraguay, Uruguay and Venezuela) agreed to a free-trade treaty following two long-drawn decades of intensive talks.

Both the EU trade agreements were watched with some apprehension from India, especially its textiles and apparel industry which has been given a run for its money by a spunky Vietnam.



UNION BUDGET 2019-20

VISION FOR THE NEXT DECADE



UNION BUDGET 2019-20

NOTES ON DEMANDS FOR GRANTS, 2019-2020

MINISTRY OF TEXTILES

(In ₹ crores)

	Actual 2017-2018		Budget 2018-2019		Revised 2018-2019		Budget 2019-2020	
	Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
Gross Recoveries	5918.81	21.38	5940.19	37.89	6905.37	37.89	4800.57	30.91
Receipts	-23.54	...	-23.54	...	...	...	...	...
Net	5895.27	21.38	5916.65	37.89	6905.37	37.89	4800.57	30.91
A. The Budget allocations, net of recoveries, are given below:								
CENTRE'S EXPENDITURE								
Establishment Expenditure of the Centre								
1. Secretariat	27.23	...	27.23	...	31.00	...	35.00	...
2. Textile Commissioner	36.24	...	36.24	...	36.36	...	36.00	...
3. Jute Commissioner	9.04	...	9.04	...	11.00	...	11.00	...
Total-Establishment Expenditure of the Centre	72.51	...	72.51	...	78.36	...	82.00	...
Central Sector Schemes/Projects								
4. Amended Technology Upgradation Fund Scheme(ATUFS)	1904.95	...	1904.95	...	622.63	...	700.00	...
5. Procurement of Cotton by Cotton Corporation under Price Support Scheme	102.68	...	102.68	...	924.00	...	2017.57	...
National Handloom Development Programme								
6. National Handloom Development Programme	126.06	8.98	135.04	37.37	110.53	28.00	115.00	20.00
7. Handloom Weaver Comprehensive Welfare Scheme (HWCWS)	24.98	...	24.98	...	10.05	...	20.00	...
8. Yarn Supply Scheme	199.84	...	199.84	...	157.00	...	195.00	...
9. Trade Facilitation Centre and Crafts Museum	0.98	...	0.98	...	5.50	...	3.00	...
10. Handloom Cluster Development Program - Handloom Mega Cluster	31.81	...	31.81	...	21.50	...	40.00	...
11. Weavers Service Centre	42.80	...	42.80	...	44.90	...	42.00	...
12. Other Handloom Schemes	33.53	...	33.53	...	23.11	...	21.80	...
Total-National Handloom Development Programme	460.00	8.98	468.98	37.37	372.59	28.00	436.80	20.00
National Handicraft Development Programme								
13. Training and Extension	21.85	...	21.85	...	19.44	...	18.50	...
14. Design and Technical Upgradation Scheme	66.43	...	66.43	...	61.35	...	70.00	...

UNION BUDGET 2019-20

NOTES ON DEMANDS FOR GRANTS, 2019-2020

(In ₹ crores)

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
15. Ambedkar Hastaship Vikas Yojana	6.99	...	6.99	3.80	...	3.80	3.80	...	3.80	6.00	...	6.00
16. Marketing Support and Services	43.54	...	43.54	34.20	...	34.20	40.00	...	40.00	45.00	...	45.00
17. Handicrafts Artisans comprehensive welfare scheme	15.69	...	15.69	13.68	...	13.68	15.20	...	15.20	26.00	...	26.00
18. Research and Development - Handicrafts	5.27	...	5.27	3.80	...	3.80	3.80	...	3.80	9.50	...	9.50
19. Human Resource Development- Handicrafts	13.86	...	13.86	11.40	...	11.40	18.80	...	18.80	26.15	...	26.15
20. Infrastructure and Technology Development Scheme	2.10	...	2.10	2.28	...	2.28	2.28	9.37	11.65	2.50	9.21	11.71
21. Development of other crafts in J and K	...	...	...	...	...	...	...	...	...	0.01	...	0.01
22. Handicraft Cluster Development Program - Handicraft Mega Cluster	8.28	...	8.28	30.00	...	30.00	13.50	...	13.50	30.00	...	30.00
23. Other Handicraft schemes	33.05	...	33.05	34.66	...	34.66	49.27	...	49.27	41.30	...	41.30
24. Hast Kala Academy	...	...	...	3.80	...	3.80	3.80	...	3.80	2.00	...	2.00
Total-National Handicraft Development Programme	217.06	...	217.06	198.42	...	198.42	231.24	9.37	240.61	276.96	9.21	286.17
Development of Woollen Textiles												
25. Integrated Wool Development Programme	29.14	...	29.14	11.45	...	11.45	5.30	...	5.30	29.00	...	29.00
Development of Silk Textiles												
26. Central Silk Board	542.50	...	542.50	500.61	...	500.61	600.61	...	600.61	730.00	...	730.00
27. Silk Mega Cluster	...	...	...	10.00	...	10.00	...	...	...	10.00	...	10.00
Total-Development of Silk Textiles	542.50	...	542.50	510.61	...	510.61	600.61	...	600.61	740.00	...	740.00
Development of Jute Industries												
28. Scheme for Development of Jute Sector	97.90	...	97.90	19.00	...	19.00	19.00	...	19.00	25.00	...	25.00
29. Subsidy to Jute Corporation of India towards market operation	46.78	...	46.78	7.60	...	7.60	7.50	...	7.50	8.00	...	8.00
30. Others (IJJRA, COP JC)	4.50	...	4.50	1.54	...	1.54	1.54	...	1.54	1.55	...	1.55
Total-Development of Jute Industries	149.18	...	149.18	28.14	...	28.14	28.04	...	28.04	34.55	...	34.55
Powerloom Promotion Scheme												
31. Power Tex India	0.20	...	0.20	87.15	...	87.15	80.90	...	80.90	127.90	1.18	129.08
32. Integrated Scheme for Powerloom Sector Development	22.04	...	22.04	...	...	...	...	...	...	...	...	...
33. Group Workshed Scheme	21.53	...	21.53	...	...	...	...	...	...	...	...	...
34. Scheme for in situ upgradation of plain powerlooms	66.38	...	66.38	...	...	...	...	...	...	...	...	...
35. Comprehensive Powerloom Cluster Development Program - Powerloom Mega Cluster	0.76	...	0.76	25.00	...	25.00	20.00	...	20.00	25.00	...	25.00
36. Group Insurance Scheme	4.00	...	4.00	...	...	...	5.28	...	5.28	5.00	...	5.00
Total-Powerloom Promotion Scheme	114.91	...	114.91	112.15	...	112.15	106.18	...	106.18	157.90	1.18	159.08
Textile Infrastructure												
37. Integrated Processing Development Scheme	...	...	...	3.80	...	3.80	3.80	...	3.80	3.50	...	3.50
38. Scheme for Integrated Textile Parks (SITP)	40.00	...	40.00	30.00	...	30.00	20.00	...	20.00	20.00	...	20.00
39. Workers Hostel	0.91	...	0.91	0.76	...	0.76	0.76	...	0.76	1.00	...	1.00

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NOTES ON DEMANDS FOR GRANTS, 2019-2020

(In ₹ crores)

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
40. Assistant to Textile Committee	26.94	...	26.94	11.40	...	11.40	40.40	...	40.40	30.00	...	30.00
41. Flatted Factory cum Incubators	3.94	...	3.94	3.00	...	3.00	1.00	...	1.00	4.00	...	4.00
42. Remission of State Levies (ROSL)	1830.57	...	1830.57	2163.85	...	2163.85	3663.85	...	3663.85	...	...	...
43. Pradhan Mantri Paridhan Rojgar Protsahan Yojna (PMPPY)	12.00	...	12.00	10.00	...	10.00	0.02	...	0.02	0.05	...	0.05
Total-Textile Infrastructure	1914.36	...	1914.36	2222.81	...	2222.81	3729.83	...	3729.83	58.55	...	58.55
Research and Capacity Building												
44. Export Promotion Studies	1.57	...	1.57	0.90	...	0.90	1.74	...	1.74	1.00	...	1.00
45. Textile Labour Rehabilitation Scheme	1.41	...	1.41	1.50	...	1.50	1.00	...	1.00	1.50	...	1.50
46. Others (TRAs, COP)	9.29	...	9.29	8.66	...	8.66	9.22	...	9.22	10.20	...	10.20
47. Integrated Scheme for Skill Development	100.00	...	100.00	200.00	...	200.00	42.00	...	42.00	100.50	...	100.50
48. R and D Textiles	9.45	...	9.45	11.00	...	11.00	11.00	...	11.00	0.01	...	0.01
49. National Institute of Fashion Technology (NIFT)	30.00	...	30.00	30.00	...	30.00	29.00	...	29.00	29.00	...	29.00
50. Technology Mission on Cotton	...	...	...	0.01	...	0.01	0.01	...	0.01	0.01	...	0.01
51. Technology Mission on Knitwear	...	...	...	0.01	...	0.01	0.01	...	0.01	0.01	...	0.01
52. Technology Mission on Technical Textile	...	...	...	0.01	...	0.01	0.01	...	0.01	0.01	...	0.01
Total-Research and Capacity Building	151.72	...	151.72	252.09	...	252.09	93.99	...	93.99	142.24	...	142.24
North East Textiles Promotion Scheme												
53. NER Textiles Promotion Scheme	239.98	...	239.98	90.00	...	90.00	90.00	...	90.00	124.98	...	124.98
54. Scheme for Usage of Geotextiles in North East	19.82	...	19.82	15.00	...	15.00	15.00	...	15.00	0.01	...	0.01
55. Scheme for Promoting Agro Textiles in North East	...	...	...	7.60	...	7.60	7.60	...	7.60	0.01	...	0.01
Total-North East Textiles Promotion Scheme	259.80	...	259.80	112.60	...	112.60	112.60	...	112.60	125.00	...	125.00
Total-Central Sector Schemes/Projects	5846.30	8.98	5855.28	7030.99	37.37	7068.36	6827.01	37.37	6864.38	4718.57	30.39	4748.96
Other Central Sector Expenditure												
Public Sector Undertakings												
56. National Jute Manufacturers Corporation	...	...	...	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
57. Bird Jute Export Corporation	...	0.40	0.40	...	0.50	0.50	...	0.50	0.50	...	0.50	0.50
58. British India Corporation Limited	...	12.00	12.00	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
Total-Public Sector Undertakings	...	12.40	12.40	...	0.52	0.52	...	0.52	0.52	...	0.52	0.52
Others												
59. Actual Recovery	-23.54	...	-23.54	...	...	...	...	...	...	...	...	...
Total-Other Central Sector Expenditure	-23.54	12.40	-11.14	...	0.52	0.52	...	0.52	0.52	...	0.52	0.52
Grand Total	5895.27	21.38	5916.65	7109.84	37.89	7147.73	6905.37	37.89	6943.26	4800.57	30.91	4831.48

UNION BUDGET 2019-20

NOTES ON DEMANDS FOR GRANTS, 2019-2020

(In ₹ crores)

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
B. Developmental Heads												
Economic Services												
1. Village and Small Industries	1356.05	...	1356.05	1078.35	...	1078.35	1202.92	...	1202.92	1511.91	...	1511.91
2. Industries	4512.85	...	4512.85	5742.20	...	5742.20	5416.01	...	5416.01	2980.41	...	2980.41
3. Secretariat-Economic Services	27.23	...	27.23	33.85	...	33.85	31.00	...	31.00	35.00	...	35.00
4. Capital Outlay on Village and Small Industries	...	8.98	8.98	...	37.37	37.37	...	37.37	37.37	...	30.39	30.39
5. Loans for Consumer Industries	...	12.40	12.40	...	0.52	0.52	...	0.52	0.52	...	0.52	0.52
Total-Economic Services	5896.13	21.38	5917.51	6854.40	37.89	6892.29	6649.93	37.89	6687.82	4527.32	30.91	4558.23
Others												
6. North Eastern Areas	...	...	...	255.44	...	255.44	255.44	...	255.44	273.25	...	273.25
7. Grants-in-aid to State Governments	-0.86	...	-0.86	...	...	...	...	...	...	...	...	...
Total-Others	-0.86	...	-0.86	255.44	...	255.44	255.44	...	255.44	273.25	...	273.25
Grand Total	5895.27	21.38	5916.65	7109.84	37.89	7147.73	6905.37	37.89	6943.26	4800.57	30.91	4831.48

HIGHLIGHTS



CITI DIAMOND JUBILEE CELEBRATIONS GLOBAL TEXTILES CONCLAVE 2018

'CITI Diamond Jubilee Celebrations – Global Textiles Conclave 2018', witnessed a grand opening at Vigyan Bhawan, New Delhi on 27th November 2018. The theme of the event was **“Disruptions and Innovations for Sustainable Growth”**. During the two-day long event, textiles & apparel industry stalwarts, global thought leaders, regional industry association heads and other dignified experts deliberated on the disruptive ideas, innovative technologies and the best practices for a sustainable growth in the textile and clothing industry.

The Conclave was segregated in various panel discussions enumerated below:

1. Disrupting Current Paradigms, and Reimagining Textiles Supply Chains to Make Them Future Ready
2. Improving Profitability of India's Textiles and Apparel Industry
3. Sustaining Growth for T&A Manufacturers in a World of Slowing Economic Growth
4. India's Domestic Apparel Market- Exciting Times Ahead
5. Diminishing Power of WTO in Global T&A Trade- The Threat of Increasing Protectionism and Emergence of New Preferential Trading Blocs
6. Opportunities in Technical Textiles in India
7. Giving a Boost to Indian Textiles and Apparel Exports
8. Innovations in Textile

Inuagural Session



The Chief Guest, Hon'ble Vice President of India, Shri M. Venkaiah Naidu inaugurated the event and the Guest of Honour, The Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani delivered the Keynote Address in the Inaugural Session.

The Hon'ble Vice President of India also conferred the Lifetime Achievement Award to Shri Suresh Kotak, Chairman, Kotak & Co. and also gave away Pioneering Awards to Shri Shekhar Agarwal, Vice Chairman, RSWM Ltd., Shri P. Nataraj, Managing Director, KPR Mills Ltd., Shri Neeraj Jain, Joint Managing Director, Vardhman Textiles Ltd. and Shri Sanjay Jayavarthanavelu, Chairman & Managing Director, LMW Ltd.



The Hon'ble Union Minister of Textiles, felicitated the Past Chairmen of CITI by presenting Mementos to them for their commendable and untiring contribution towards the development of the Textile and Clothing Sector of India.

CITI Chairman signed MoUs with Bangladesh Garment Manufacturers & Exporters Association (BGMEA) and Uzbekistan Textile and Garment Industry Association (Uztextileprom) for carrying out trade promotion activities in both the countries.

Session Highlights



Disrupting Current Paradigms, and Reimagining Textiles Supply Chains to Make Them Future Ready

The Conclave started with the first panel discussion on 'Disrupting Current Paradigms, and Reimagining Textiles Supply Chains to Make Them Future Ready' as this session incorporated the disruptions taking place in T&A industry worldwide. The session was concluded with a note that major disruptions taking place in the world of T&A such as Automation, Digitization, changing global consumptions, must be looked into proactively by the manufacturers in order to grow with the fast paced T&A supply industry.



Improving Profitability of India's Textiles and Apparel Industry

The panel was moderated by Mr. D.L. Sharma, Vice Chairman, CITI. He highlighted the Indian textile industry's importance in the economic growth and further discussed what all can be incorporated by the government and industry to improve industry's profitability. India's competitiveness vis-à-vis other textile manufacturing countries. The discussion highlighted that India's competitors have strategic intent to ruthlessly implement strategic vision. One of the biggest challenges Indian T&A faces is Labour Reforms.

Sustaining Growth for T&A Manufacturers in a World of Slowing Economic Growth

The session was moderated by Mr. Han Bekke, President, International Apparel Federation, where he threw light on the improving global economy and the disruptions taking place along with them in the global fashion market. The session highlighted various factors which need to be incorporated by the



global industry in order to sustain growth of T&A in a world of slowing economic growth. Fast fashion manufacturers need to focus on catering the demand of their consumers by understanding consumers' behaviour and requirements. Consumers are more aware and conscious of the environment than before. Therefore, it becomes prudent to the industry to promote environment friendly apparel to sustain in the future.



India's Domestic Apparel Market- Exciting Times Ahead

The session was moderated by Mr. Rahul Mehta, President CMAI. He highlighted the importance of domestic apparel market and its potential. The socio-economic and demographic challenge with the domestic market is one of the major reasons for the failure of several international brands. Further, discussions took place on E-commerce as an opportunity, Organised retail, Scale in Production & Operations and supply chain. Manufacturers should realise it is the supply chain's ability that will result in catering the demand of 1.32 billion people spread across the geography.

“Diminishing Power of WTO in Global T&A Trade – The Threat of Increasing Protectionism and Emergence of New Preferential Trading Blocs”

The session on “Diminishing Power of WTO in Global T&A Trade – The Threat of Increasing Protectionism and Emergence of New Preferential Trading Blocs” was moderated by Dr. Harsha Vardhana Singh, former Deputy DG, WTO. The panel highlighted the importance of WTO and how the countries come back to WTO in the time of trade crisis but are moving towards FTA's for trade.



With variety of Preferential Trade Agreements increasing and USA entering into various bilateral agreements, informally, not formally, the role of WTO is diminishing. The emergence of various PTA's, FTA's and bilateral trades, the global trade will witness several new trading blocs and this will change the global trade scenario.



Growth Opportunities for Technical Textiles in India

Shri Raghvendra Singh, IAS, Textiles Secretary, GOI chaired the session on “Growth Opportunities for Technical Textiles in India”. The discussions boiled down to the following message: With growing awareness and consumption of technical textiles, greater innovation in the field and demand from end-use industries, the country is a promising destination with an increasing demographic dividend and consumption scenario.

“Giving a Boost to Indian Textiles and Apparel Exports”

Ms. Aditi Das Rout, Trade Advisor, Ministry of Textiles chaired the session on “Giving a Boost to Indian Textiles and Apparel Exports”. The discussions summarized that the Indian manufacturers need to adopt a medium to long term strategy for the textile & apparel industry and develop a country-specific industry.



Valedictory Session

The erstwhile Union Minister of Commerce & Industry and Civil Aviation, Shri Suresh Prabhu graced the Valedictory Session and delivered the Valedictory Address on 28th November 2018.



Innotex 2018

First time in the history of Indian Textiles & Clothing, CITI launched an innovation contest for T & C Industry in India – **Innotex 2018** as part of their Diamond Jubilee Celebrations. Shri Suresh Prabhu, former Union Minister of Commerce & Industry and Civil Aviation, gave away **InnoTex 2018 Awards** to the top three Winners for doing excellent work in their fields. R Pothiraj received the first prize for his innovation on '32% Reduction in Energy Consumption in Running Airjet Looms'. Dhivagar got the second prize and Raj Kumar got the third prize for their innovations in 'Zero Defect of Spandex Miss Plating in Knitted Fabric' and 'Computerised Vertical Embroidery Machine', respectively. Minister also awarded the trophies to Technopak and NITRA for being the knowledge partners of CITI Diamond Jubilee Celebrations and InnoTex 2018.

Former Union Minister of Commerce & Industry and Civil Aviation, Shri Suresh Prabhu giving away Innotex Award to Mr. R. Pothiraj at Vigyan Bhawan, New Delhi



INDIAN TEXTILE TRADE DELEGATION TO ITALY

Italian Trade Commission, New Delhi and ACIMIT (Italian Textile Machinery Association) as a part of their initiatives to promote Italian textile sector focusing on “Italian Green Technologies Supporting Sustainable Textile Processes” between India and Italy, organized a fully-sponsored trip of Indian textile delegation comprising representatives of leading Indian textile companies from India to Milan and Conegliano in Italy from 24th-31st March 2019. Representatives from CITI Member Companies like Vardhman Textiles, Arvind Ltd., Raymond Ltd., RSWM Ltd., Gimatex Industries, Pratibha Syntex Ltd., Winsome Yarns, Technocraft Industries (P) Ltd., Mohan Spintex India Limited, Bhasker Industries, Rajsamadhiyala Spintex, Sarvana Polythreads, Southern Cotspinners and CITI Secretary General, Dr S Sunanda were part of the Indian textile delegation.

ACIMIT (the Association of Italian Textile Machinery Manufacturers) is the Italian Association serving the Italian companies that produce textile machinery and related accessories since 1945. ACIMIT launched a Sustainable Technologies Project, aiming to increase the commitment of Italian textile machinery manufacturers to invest in sustainability. There are 42 member companies participating in the ACIMIT Sustainable Technologies Project. Till now, 220,000 tons CO2 eq. avoided emissions with 1371 Green Label generated by member companies since 2011.

MOU Signed between CITI and ACIMIT

During the visit an MOU was signed between Confederation of Indian Textile Industry (CITI) and Association of Italian Textile Machinery Manufacturers (ACIMIT) on 25th March 2019 at ACIMIT Headquarter in order to enhance mutually beneficial cooperation and exchanges in the textile and clothing industries and to support each other in the events that either is organising.

On this occasion, CITI Secretary General met Mr. Alex Zucchi, President, ACIMIT, Mr. Federico Pellegata, Director, ACIMIT and other officials of ACIMIT and handed over a presentation on “India: An Attractive Investment Destination” to them.



ACIMIT also felicitated Dr. Sunanda and other Indian delegates with a certificate for their observations and understanding on new innovations in Italian Textile Machinery.

Company Presentations at ACIMIT Headquarters, Italy

Mr. Angelo Vanali, Past President, ACIMIT and Mr. Andrea Mattiello, ICE-Agenzia Roma gave an overview of Italian Textile Machinery, its uniqueness and developments. Highlighting different Textile machinery products & its

technologies, the following Italian Textile Machinery companies made presentations to Indian Textile Delegation at ACIMIT Headquarters in Italy.

ETV, LAWER, SSM GIUDICI, PLM || UNITECH || CUBOTEX || ERHARDT + LEIMER || TESTA
|| MESDAN || PIOVAN || BIANCALANI || ICS || MONTI MAC || SICAM || ROJ || DANTI PAOLO
|| LAIP || BRAZZOLI || TERMOELETTRONICA || COLOR SERVICE || MARIPLAST

One to One Business Meetings & Factory Visits

Series of B2B meetings and factory visits along with company presentations were organised by ACIMIT. Indian textile delegation visited the following factories during the visit.

FADIS, FERRARO, CORINO || BIANCO || MARZOLI
|| MCS Company || SAVIO Company || STALAM

Overview of Italian Textile Machinery Industry

Italian companies are leaders in providing textile technology solutions. In Italy, there are approximately 300 companies who produce textile machines and related accessories, for a total of about 12,000 employees. Of this, 76% companies fall under the bracket of less than € 10 million turnover.

Italy is today one of the main producers and exporters of textile machinery in the world. In 2017, the production of Italian textile machinery amounted to 2.9 billion of Euro, 84% of which (worth 2.4 billion Euro) exported in about 130 Countries. Asia occupies a lion share of 48% of Italian exports of textile machinery, followed by Europe (35%), North America (8%), South America (5%) and Africa (4%). India was at 3rd position in 2018 among the top ten markets of Italian Textile Machinery Products with € 121 Milion value although indicating a decrease of 13% as compared to 2017 (Source: ACIMIT).

Italian Textile Machinery Industry's main features

- Skilled workforce and know how
- Small sized companies, i.e. flexibility, versatility;
- Customized production
- High technological level of machines (focus on production costs saving and
- machine productivity)

The supply of Italian textile machinery is characterised by a wide and complete range of:

- pre-spinning and spinning machinery
- twisting, reeling, winding machinery
- pre-weaving and weaving machinery
- knitting and hosiery machinery



CITI's Participation in Preview in Seoul 2019 Textile Trade Fair

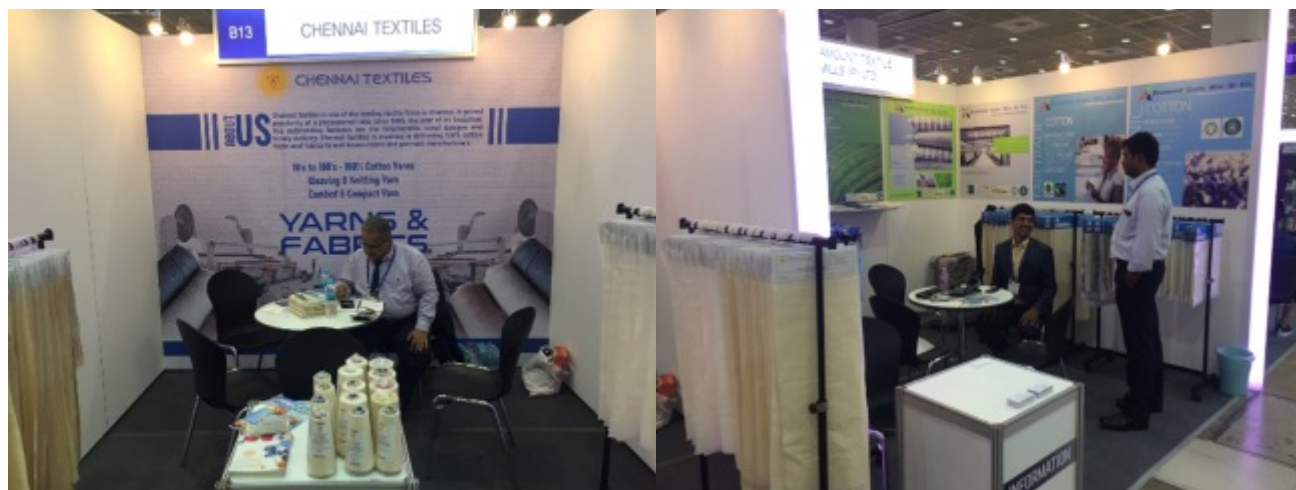


Confederation of Indian Textile Industry (CITI) in its ongoing efforts to strengthen and promote Indian textiles and clothing trade and exports globally and to build a strong image of Indian textile industry, participated and organized India Pavilion with seven participants including CITI in “Preview in Seoul 2019 Fair”. The Fair organised by Korea Federation of Textile Industries (KOFOTI) from 28th August to 30th August 2019 in Convention and Exhibition Centre, Seoul, Korea was a grand success. PIS 2019 Show was attended by 424 companies (215 Korean and 209 foreign). PIS, which began in 2000, is an international textile trade show that expanded the exports and vitalized domestic transactions for the Korean textile fashion companies. In its 20th year, the event hosted the biggest number of companies with a diverse array of programs.

Confederation of Indian Textile Industry (CITI) and Korea Federation of Textile Industries (KOFOTI) have signed an MOU for mutual co-operation between the two organisations including promotion of the events of CITI and KOFOTI in each other's country.

CITI leads the contingent of Indian Textiles and Clothing Companies every year to promote and strengthen Indian Textiles & Clothing trade and build a strong image of Indian textile industry in Korea. Platform like PIS is important as companies can personally meet the leading foreign buyers, traders, etc. who have business interests in India and invite them to participate in T&C trade related activities in India.





Preview in Seoul (PIS) is Korea's premier textile exhibition aiming to create superior value through promoting active exchanges and building partnership between global players and Korean textile and apparel companies. PIS provides opportunities to explore distinctive yarns, eco-friendly & functional textiles, knits, findings & trims, accessories, DTP and machineries all organized around textile sectors. PIS 2019 offered numerous fun events. Attendees enjoyed the Trend Forum with the latest textiles, 1:1 networking opportunities with top buyers, fashion shows, fashion trends and textile seminars, fund-raising bazaar and fashion film screenings.

CITI negotiated with KOFOTI and obtained a few built-up booths for Indian Participants in the Preview in Seoul 2019 on a special discounted rate to participate.

Following companies participated in the PIS 2019 and sent their representatives to promote their textile business and showcased their products and services to tap global buyers.

Indian Delegation Details for PIS 2019

S.No.	Name of Party	Booth Number
	Motherland Textile India Pvt. Ltd.	B-06
	Banswara Syntex Limited	B-10
	ASM Industries Ind Pvt Ltd	B-11
	Paramount Textile Mills (P) Ltd.	B-12
	Chennai Textiles	B-13
	RSB Cottex Limited	B-17
	Confederation of Indian Textile Industry	B-18

From CITI, Mr. Manoj Sharma, Deputy Secretary visited the Fair as official coordinator for making necessary arrangements, announcements related to Show and to liaison with show organizers on behalf of Indian Participants in the India Pavilion at PIS 2019.

CITI OFFICE BEARERS' PARTICIPATION IN VARIOUS FORUMS



Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani releasing Texcon '18 Knowledge Paper



CITI Chairman, Shri Sanjay K Jain addressing at the inaugural Session of Texcon'18



CITI's participation in launch of India series - Textile Story - Coffee Table Book by Hon'ble Union Minister of Textiles Smt. Smriti Zubin Irani



Mr. Sanjay Jain, Chairman CITI releasing Textile 4.0 Conference booklet



Mr. Sanjay Jain, Chairman CITI, addressing Textile 4.0 Conference



Mr. V.C. Gupte, Chairman TAI Mumbai felicitating Mr. Sanjay Jain, Chairman CITI at Textile 4.0 Conference

CITI OFFICE BEARERS' PARTICIPATION IN VARIOUS FORUMS



Mr. T. Rajkumar, Deputy Chairman, CITI addressing at Global Investors Meet 2019



Tamil Nadu Govt. felicitating Mr. T. Rajkumar, Deputy Chairman, CITI at Global Investors Meet 2019



Mr. Sanjay K. Jain, Chairman, CITI receiving "CEO with HR Orientation" ET NOW Award at the 27th Edition of World HRD Congress.



CITI Chairman, Shri Sanjay K Jain addressing Odisha Conclave



CITI Chairman, Shri Sanjay K Jain addressing CEO Conclave Telangana



CITI Chairman, Shri Sanjay K Jain at National Conclave on Textiles "Accomplishments and Way Forward for Textiles Sector" organised by Ministry of Textiles, New Delhi on 6th January 2019.

CITI ACTIVITIES – 2018-19



*CITI Delegation welcoming
Hon'ble Union Minister of Commerce & Industry &
Railways, Shri Piyush Goyal on August 26, 2019*



*CITI Delegation discussing T&C industry issues with
Hon'ble Union Minister of Commerce & Industry &
Railways, Shri Piyush Goyal on August 26, 2019*



*CITI Chairman, Mr. Sanjay K. Jain and
Mr. Sharad Jaipuria, President DMA welcoming
Hon'ble Minister of Textiles and Women & Child
Development, Smt. Smriti Zubin Irani
in New Delhi*



*CITI Delegation with Secretary Textiles,
Mr. Ravi Capoor*

CITI ACTIVITIES – 2018-19



Meeting between officials of CITI & Korean Federation of Textile Industries (KOFOTI) held on 12th July 2019 in CITI Office, New Delhi



CITI Chairman, Mr Sanjay K Jain met Korea Federation of Textile Industry- KOFOTI Chairman and International Textile Manufactures Federation- ITMF President, Mr Kihak Sung in South Korea on 31 May'19 to discuss promotion of trade and investment between the two countries.



CITI Chairman, Shri Sanjay K Jain & CITI Secretary General, Dr. S. Sunanda with Shri Sanjay S. Lalbhai, Chairman and MD, Arvind Ltd



Meeting with Korean Custom officials delegation at CITI Office, New Delhi

CITI ACTIVITIES – 2018-19



CITI Vice Chairman, Shri D. L. Sharma with Hon'ble Minister of State for Commerce and Industry, Shri Som Parkash



CITI Delegation welcoming Dr. Sanjay A Chahande, IAS, former Textile Commissioner, Ministry of Textiles in Mumbai



CITI Chairman, Mr. Sanjay K. Jain welcomes Textile Secretary, Shri Ravi Capoor



TEXTILE TRADE PROMOTION MEETING between officials of "National Sectoral Partnership in Textile Industry of Ukraine" and "Fashion Globus Ukraine" and "Confederation of Indian Textile Industry (CITI)" held on 15th March 2019 at CITI Office in New Delhi.

CITI's Memorandum of Understanding with various organisations



Dr. S. Sunanda, Secretary General CITI signing MoU with Mr. Alex Zucchi, President, ACIMIT & Mr. Federico Pellegata, Director, ACIMIT on 25th March 2019 at ACIMIT Headquarter

An MoU was signed between Confederation of Indian Textile Industry (CITI) and Association of Italian Textile Machinery Manufacturers (ACIMIT) was signed on 25th March 2019 at ACIMIT Headquarter in order to enhance mutually beneficial cooperation and exchanges in the textile and clothing industries and to support each other in the events that either is organising. ACIMIT also felicitated Dr. Sunanda with a certificate for her observation and understanding new innovation in Italian Textile Machinery during factory visits.

CITI Signs MoU with Gujarat on November 16, 2018 for betterment of state's apparel & textile industry. On behalf of CITI, Mr. Sanjay K Jain signed the MoU in Delhi in the presence of Shri Vijay Rupani, Chief Minister of Gujarat during the roadshow to promote Vibrant Gujarat Global Summit. CITI aims to disseminate information about Gujarat Apparel & Garment Policy 2017 among its members



CITI signing MoU with Shri Vijay Rupani, Chief Minister of Gujarat at Vibrant Gujarat Global Summit

CITI MoU's with BGMEA & Uzbekistan textile and garment industry



The Confederation of Indian Textile Industry (CITI) signed MoUs with Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Uzbekistan Textile and Garment Industry Association (UZTEXTILEPROM) at CITI Global Textile Conclave held on November 27-28 2018 commemorating CITI's Diamond Jubilee at Vigyan Bhawan, New Delhi to carry out trade promotional activities in both the countries.

CITI's Memorandum of Understanding with various organisations

CITI Signing MoU with ZDHC at 60th AGM in Mumbai on September 27, 2018



CITI signed MoU with ZDHC for creating awareness among textiles and clothing industry players on zero discharge of hazardous chemicals and addressing environmental issues on a sustainability manner.

CITI Signing MoU with NSE at 60th AGM in Mumbai on September 27, 2018



National Stock Exchange (NSE), CITI sign MoU on September 27, 2018 for creating awareness among stakeholders under the memorandum of understanding (MoU) the stock exchange will assist in imparting knowledge to CITI members on price risk management, hedging on NSE's platform for products like commodity, currency and debt.

CITI CDRA's Cotton Development Activities During 2018-19.

INTRODUCTION

1. The Cotton Development and Research Association (CDRA) of the Confederation of Indian Textile Industry (CITI) in association with the state agriculture departments of Madhya Pradesh, Maharashtra and Rajasthan, Bayer Crop Science (BCS) and the Regional Textile Mills Associations from these states is implementing Cotton Collaborative Project for the past many years. The project aims at empowering the cotton farmers in the project areas with the latest technological know-how on production, plant protection and nutrient management, with a view to improve yield, quality and production of cotton in these states.
2. The year 2018-19 was the eleventh year of the project in Rajasthan, the fourth year in Maharashtra and the second year in Madhya Pradesh. The project activities encompassed eight districts from these states and involved about 94133 cotton farmers from 1705 villages having 148518 hectares under cotton cultivation as under:

RAJASTHAN

DISTRICT	CLUSTERS	VILLAGES	AREA (HA)	No. of farmers
Alwar	4	97	39764	12000
Bhilwara	4	72	22000	12000
Rajsamand	1	17	3600	1300
TOTAL	9	186	65364	25300

MAHARASHTRA

DISTRICT	CLUSTERS	VILLAGES	AREA (HA)	No. of farmers
Wardha	8	80	22527	11336
Yawatmal	2	16	3214	1762
TOTAL	10	96	25741	13098

MADHYA PRADESH

DISTRICT	CLUSTERS	VILLAGES	AREA (HA)	No. of farmers
Ratlam	4	658	28943	30835
Jhabua	4	575	24970	22700
Dhar	1	190	3500	2200
TOTAL	9	1423	57413	55735

3. RAJASTHAN

Area under cotton in Rajasthan has been increasing year after year, the area in 2018-19 being 629312 hectares as compared to 584230 hectares in 2017-18. Out of 629312 hectares under cotton in Rajasthan, Upper Rajasthan accounted for 319215 hectares while in Lower Rajasthan it was 310097 hectares. Total production of Rajasthan during 2018-19 is estimated at 27.28 lakh bales, the share of Upper Rajasthan being 12.69 lakh bales and that of Lower Rajasthan at 14.59 lakh bales. Thus, cotton yield in Rajasthan for 2018-19 works out to 737 kgs of lint per hectare and in respect of Upper Rajasthan it works out to **676** kgs and in Lower Rajasthan it works out to **800** kgs of lint per hectare.

3.1 The project was implemented in Alwar, Bhilwara and Rajsamand districts of Rajasthan. The project activities essentially aimed at enhancing cotton yield in project areas by promoting Good Agricultural Practices (GAPs) for reducing the cost of cultivation and making cotton cultivation a profitable proposition for the cotton farmers, by sustaining their interest in cultivation of cotton.



Awareness camp being held by Dr. A.K. Chaudhary, progress at Alwar (Rajasthan)



District implementation committee meeting in progress at Alwar (Rajasthan)

3.2 While implementing the project, the project staff had ensured close coordination with the participating organisations in general and the district agriculture department in particular besides involving scientists from KVK/ ATMA organisations in project activities. These efforts proved rewarding as would be evident from the following data.

Seed Cotton Yield in quintals/hectare.

ALWAR DISTRICT

SR. NO	CLUSTER	PROJECT AREAS (Fig in Quintals)		NON-PROJECT AREAS (Fig. in Quintals)		VARIATIONS (+/-)
		RANGE	AVG. YIELD	RANGE	AVG. YIELD	
1	Alwar	19.9-30.4	25.15	13.80-26.1	19.95	(+) 26.07
2	Rajgarh	20.0-30.0	25	15.0-25.0	20	(+) 25
3	Behror	25.0-32.0	28.05	15.0-27.0	21	(+) 35.71
4	Kishangarhwas	25.0-30.	30	15.0-28.5	21.75	(+) 37.93

BHILWARA & RAJASMAND DISTRICT

SR. NO	CLUSTER	PROJECT		CONTROL	% CHANGE
		RANGE	AVERAGE	AVERAGE	
1	Railmagre	25.5-31.5	27	24.3	(+) 11.11
2	Kangani	22.5-31.5	27	21.87	(+) 23.46
3	Potla	20.5-33.75	27.13	21.26	(+) 27.61
4	Dhosar	21.5-33.75	31.5	26.5	(+) 18.87
5	Bagor	27.00-33.75	30.38	30.71	(-) 1.07



Project coordinator Shri. P.N. Sharma, engaged in interaction with project farmers in the field, while Kisan Goshti programme is in progress.



Project coordinator explaining the importance of clean cotton harvest & controlling contamination at farm level.

4. ACTIVITIES IN MAHARASHTRA

2018 -19 was the fourth year of the cotton collaborative project in Wardha district and the first year in Yawatmal district of Maharashtra.

The project aimed at empowering the project farmers with the latest production, plant protection and nutrient management technologies through continuous training and mass awareness created by frequently organising farm visits, workshops, seminars and village level meetings. It endeavoured to promote Good Agricultural Practices (GAP's) for enhancing yield, reducing costs of cultivation and increasing cotton farmers income. In the context of the large scale Pink Boll Worm attack on cotton crop, leading to huge loss to the cotton farmers and a large number of casualties of farm

labourers/farmers engaged in spraying of chemical pesticides on cotton crop during the last season, the CITI CDRA and BCS jointly organised a SPECIAL DRIVE for creating mass awareness regarding PBW and its control and the safe use of pesticides. Organising Front Line Demonstrations on the farmer's fields to show case as to how by adopting the latest technologies production could be increased while reducing the cost of cultivation.

4.1 .SCOPE OF THE PROJECT.

The project covered 96 villages (80 from Wardha, Hinganghat, Selu and Devli tehsils of Wardha district and 16 from Kalamb tehsil of Yavatmal district).

13098 cotton farmers with 25741 hectares of land under cotton cultivation were involved in the project.

4.2 PARTICIPATING AND ASSOCIATED ORGANIZATIONS WITH THE PROJECT.

The CITI CDRA, the District Superintending Agriculture Officer,

Wardha, Bayer Crop Science and the member mills of MOA participated in the project while the Central Institute of Cotton Crop Research, Nagpur, (CICR) the Central Institute for Research on Cotton Technology (CIRCOT) and the Agro Plus Foundation, Nagpur were associated with various activities under the project.

4.3 THE OUTCOME OF THE PROJECT ACTIVITIES.

4.3.1 FRONT LINE DEMONSTRATIONS PROGRAMME.

Five FLDs were laid out in the project area using Surpass First Class Bt seeds of Bayer Crop Science. The yield ranged from 800 kgs of lint per hectare to 1375 kgs as would be evident from the following data.

Name of FLD Farmer	Taluka	Village	Variety	Yield/Hectare (In KGs)
Bhaskar Mujabaile	Selu	Rekhi	Bayer Superb	1337
Dipak Balpande	Wardha	Anji	Bayer First Class	1375
Prakash Babulkar	Wardha	Selu Kate	Bayer First Class	1275
Manohar Galande	Hinganghat	Ajanti	Bayer First Class	666
Sumedh Kamble	HInghanghat	Yenora	Bayer First Class	833



**PROJECT FARMERS TRAINING AT KVK, SELSURA
(WARDHA DISTRICT)**



**HANDING OVER OF SAFETY KITS TO PROJECT
FARMERS.**

4.3.2 IMPACT OF THE PROJECT ON YIELD.

Average yield of cotton per hectare as worked out on the randomised data of production of 20% project farmers in each of the five clusters was found to be much higher than the yield data reported by the Agriculture department for the respective tehsils as would be evident from the following data.

Sr. No	District	Taluka	Yield in Kg's Lint per hectare under Project	Yield in Kg's Per hectare reported by Agricultural Department	Difference
					%
1	Wardha	Deoli	609	500	(+) 21.8
2	Wardha	Hinghanghat	634	489	(+) 29.65
3	Wardha	Selu	850	490	(+) 73.48
4	Wardha	Wardha	648	499	(+) 29.85
5	Yavatmal	Kalam	698	NA	-

4.3.3 SPECIAL CAMPAIGN FOR PINK BOLL WORM MANAGEMENT AND SAFE USE OF PESTICIDES THROUGH COMMUNITY APPROACH.

The CITI CDRA and BCS jointly organised a mega event on 21st August 2018 at Wardha for creating mass awareness among project farmers on PBW management and safe use of pesticides. The State District Administration, cotton scientist from South East Asia Institute for Biotechnology, New Delhi, CIRCOT and local KVK, representatives of the textile industry, Bayer Crop Science and a few other organisations participated in the event which was attended by over 600 farmers. 1000 Pheromone Traps, 450 safety kits and a large number of leaflets in Marathi on pink ball worm management and safety precautions to be taken while spraying chemicals pesticides were

distributed to the farmers. A special van with awareness posters and pictures about how to effectively deal with PBW menace and the safe use of pesticides toured the project areas for one month to provide guidance and advice from trained personnel. As the result of these efforts ,PBW was effectively controlled in the project areas and no casualties were reported due to poisoning while spraying chemicals pesticides.



**PROJECT FARMERS PARTICIPATING IN PINK BOLL WORM AWARENESS PROGRAMME
HELD AT WARDHA ON 21.08.2018.**



**SHRI. P.D. PATODIA CONVENOR CITI CDRA
ADDRESSING THE FARMER'S GATHERING.**



**ALL DIGNITARIES RELEASING BOOKLET ON
PINK BOLL WORM MANAGEMENT PREPARED
BY AGRICULTURE DEPT. WARDHA.**

4.4 PARTICIPATION IN MARKETING INNOVATION SUMMIT BY GOVT. OF MAHARASHTRA AT MUMBAI.

The Maharashtra State Cooperative Cotton Growers Marketing Federation

(MSCCGMF) had organised a Marketing Innovation Summit at Mumbai on 22nd June 2019 for promoting lintbased marketing with traceability and branding. Shri. P.D.Patodia, Convenor, CITI Sub Committee on CDRA was invited to in the VALEDICTORY SESSION ON "MAHARASHTRA SHOWING WAY IN COTTON AND AGRO COMMODITIES MARKETING WITH INNOVATION AND TECHNOLOGY "

Accordingly, Shri. Patodia participated and addressed the session, giving Industry perspective. The Consul Generals of Netherlands and China and the Deputy High Commissioner of Bangladesh and other dignitaries had also participated in the session. Shri. Devendra Fadnavis, Hon'ble Chief Minister of Maharashtra was the Chief Guest at the function. After the address of the Chief Minister was over, Shri Patodia called on the Hon'ble C.M. and showed him the working of the mechanical kapas plucker for increasing the efficiency in harvesting of kapas and controlling contamination in kapas at farm level. The MSCCGMF is exploring a possibility of associating the CITI CDRA in its "SMART COTTON" Project.



Shri. P.D. Patodia explaining the working of the Mechanical Kapas Plucker to the Hon'ble Chief Minister of Maharashtra, Shri. Devendra Fadnavis.

5. ACTIVITIES IN MADHYA PRADESH.

The project was implemented in Ratlam, Dhar and Jhabua districts of Madhya Pradesh. It covered 1423 villages involving 55735 cotton farmers having 57413 hectares under cultivation of Extralong Staple cotton. The project essentially aimed at improving yield and production of ELS cotton for meetings the increasing demand for super fine cottons from the textile industry and correct the imbalance between demand and supply of these cottons in the country.



Meeting with the State Government of Madhya Pradesh on 30th May.

5.1 ORGNISATIONS INVOLVED IN THE PROJECT .

The CITI CDRA in association with the State Agriculture Department of Madhya Pradesh, Bayer Crop Science and M.P. Textile Mills Association supported by Wardhaman Group of mills in Public Private Partnership mode implemented the project. The district implementation committees with Dy Directors of Agriculture as the Nodal Officer and scientists from KVK and ATMA from the districts and Project Coordinator/Project Officers of the CITI CDRA as its members were formed to oversee the implementation of the project.



Training to farmers by KVK Scientist at Jhabua district.

5.2 OUTCOME OF THE PROJECT ACTIVITIES.

On analysing the data on seed cotton yield of nearly 60% cotton farmers from project and non-project areas of different clusters, the average yield in Ratlam district ranged from 442 kgs to 685 kgs, of lint per hectare, in Jhabua district it ranged from 317 to 560 kgs and in Dhar district it 436 kgs of lint per hectare.

5.3 TRIAL's ON ELS COTTON's.

The distinguishing feature of the project activities in M.P. in the year under review was a scale programme for Front Line Demonstrations in the farmer's fields. To promote ELS cotton in the state 220 trials of Bt hybrids and varieties were conducted in Ratlam and Jhabua districts. These included 60 trials of SP904 Bt hybrid seeds of Bayer Crop Science, the average yield of which was 518 kgs of lint per hectare in Ratlam district and 456 kgs in Jhabua district. Further, 160 trials of SIMA CDRA cotton seeds were taken in these districts. Of these, 94 trials were of ELS cotton hybrids like SHB-3 and Mahashakti while 66 trials were of long Staple cotton like Shakti and SHT-1. The average yield of SHB-3 in Ratlam district was 552 kgs and 367 kgs in Jhabua district while Mahashakti gave an average yield of 437 kgs in Ratlam district and 414 kgs of lint per hectare in Jhabua district. The average yield of Shakti was 405 kgs and 347 kgs of lint per hectare for SHT-1.



Interaction with representatives of Textiles mills & Seed dealers at Ratlam.

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Cotton Development & Research Activities (CDRA)	
Convenor	Mr. P.D. Patodia, Past Chairman, CITI & Chairman of Standing Committee of Cotton of CITI
Co-Convenor	Mr. Prashant Mohota, Chairman, CITI-YEG & MD, Gimatex Industries Pvt. Ltd.
Advisors:	
Mr. R.K. Dalmia	Past Chairman, CITI & Senior President, Century Textiles & Inds. Ltd.
Mr. B.K. Patodia	Past Chairman, CITI & CMD, GTN Textiles Ltd.
Mr. Prem Malik	Past Chairman, CITI
Mr. J. Thulasidharan	Past Chairman, CITI & MD, The Rajaratna Mills P. Ltd.
Mr. Suresh Kotak	Chairman, Kotak Ginning & Pressing Industries Ltd.
Members:	
Mr. R. Elango	Managing Director, Sangeeth Textiles Ltd.
Mr. S. Senthilnathan	Managing Director, Rasi Tex (In) P. Ltd.
Mr. B. Lakshminarayana	Managing Director, Van Tex Ltd.
Mr. S.K. Saraf	Chairman, Technocraft Industries (India) Ltd.
Dr. K. Selvaraju	Secretary General, SIMA

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Cotton Fibre & Related Issues	
Convenor	Mr. J. Thulasidharan, Past Chairman, CITI & MD, The Rajaratna Mills P. Ltd.
Co-convenor	Mr. S.K. Saraf, Chairman, Technocraft Industries (India) Ltd.
Advisors:	
Mr. B.K. Patodia	Past Chairman, CITI & CMD, GTN Textiles Ltd.
Mr. P.D. Patodia	Past Chairman, CITI & Chairman Standing Committee on CITI CDRA
Mr. Suresh Kotak	Chairman, Kotak Ginning & Pressing Industries Ltd.
Members:	
Mr. Rajiv Garg	Managing Director, Garg Acrylics Ltd.
Mr. Prashant Mohota	Managing Director, Gimatex Industries Pvt. Ltd.
Mr. P. Chinnasamy	Vice Chairman, KKP Textiles Ltd.
Mr. Mahesh Sharda	President, Indian Cotton Association Limited

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Cotton Yarn Policy & Related Issues	
Convenor	Mr. Ashish Bagrodia, Managing Director, Winsome Textiles Ltd.
Co-convenor	Mr. Umang Patodia, Managing Director, Patspin India Ltd.
Advisors:	
Mr. J. Thulasidharan	Past Chairman, CITI & MD, The Rajaratna Mills P. Ltd.
Members:	
Mr. Rajiv Garg	Managing Director, Garg Acrylics Ltd.
Mr. S.K. Saraf	Chairman, Technocraft Industries (India) Ltd.
Mr. Vineet Mohota	Director, Gimatex Industries Pvt. Ltd.
Mr. Neeraj Jain	Executive Director, Vardhman Textiles Ltd.
Mr. S. Dinakaran	Joint Managing Director, Sambandam Spg. Mills Ltd.
Mr. P. Nataraj	SIMA Chairman & Managing Director, KPR Mill Ltd.
Mrs. Mridula Ramesh	Executive Director, Sundaram Textiles Ltd.
Mr. R. Srinivasan	General Manager, Rajapalayam Mills Ltd.
Mr. P. Chinnasamy	Vice Chairman, KKP Textiles Ltd.

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Man-Made Fibre & Yarn	
Convenor	Mr. Rakesh Mehra, President – ISA & Vice Chairman, Banswara Syntex Ltd.
Co-Convenor	Mr. Kiran Soundararajan, Whole Time Director, Soundararaja Mills Ltd.
Advisors:	
Dr. V.K. Ladia	Past Chairman, CITI & Chairman, Shree Rajasthan Syntex Ltd.
Members:	
Mr. S.K. Khandelia	President, Sutlej Textiles Industries Ltd.
Mr. S. Dinakaran	Jt. Managing Director, Sambandam Spg Mills Ltd.
Mr. Prashant Mohota	Managing Director, Gimatex Industries Pvt. Ltd.
Mr. Ashwin Chandran	CMD, Precot Meridian Ltd.
Mr P. K. Jayagopal	Director, PKPN Spinning Mills P. Ltd.
Mr. Aditya Krishna Pathy	Whole Time Director, The Lakshmi Mills Ltd.
Mr. P. Durai Palanisamy	Managing Director, Pallava Textiles P. Ltd.
Mr. M.K. Agarwal	Jt. Managing Director, Suryalata Spg. Mills Ltd.
Mr. R.K. Vij	Indo Rama Synthetics (I) Ltd.
Mr. B. Sri Hari	Director, Sri Kannapiran Mills Limited

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Fabrics & Made-ups	
Convenor	Mr. K.K. Lalpuria, Executive Director, Indo Count Industries Ltd.
Co-Convenor	Mr. M. Senthil Kumar, Managing Director, BKS Textiles P. Ltd.
Advisors:	
Mr. B.K. Patodia	Past Chairman, CITI & CMD, GTN Textiles Ltd.
Mr. R.K. Dalmia	Past Chairman, CITI & Sr President, Century Textiles & Inds. Ltd.
Mr. Prem Malik	Past Chairman, CITI
Members:	
Mr. Rakesh Mehra	President – ISA & Vice Chairman, Banswara Syntex Ltd.
Mr. R.K. Rewari	Executive Director & CEO, Morarjee Textile Ltd.
Mr. Akhilesh Rathi	Director, Bhaskar Industries Pvt. Ltd.
Dr. Harish Anand	Economist, Vardhman Textiles Ltd.
Mr. S.K. Khandelia	President, Sutlej Textiles Industries Ltd.
Mr. V. Sudhakar Chowdary	Managing Director, Mohan Spintex India Ltd.
Mr. Rohit Rajendran	Executive Director, Premier Spg & Wvg Mills Ltd.
Mr. Hari Thiagarajan	Director, VTM Limited
Mr. M. Nachimuthu	Managing Director, Atlas Textiles Export Pvt. Ltd.
Mr. M. Britto	Managing Director, JVS Export

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Garments	
Convenor:	Mr. G.K. Raman, Executive Vice President - Group Corporate Affairs, Arvind Limited
Co-Convenor:	Mr. Shailesh Goenka, Director, Texport Industries Pvt. Ltd.
Advisors:	
Mr. Shekhar Agarwal	Past Chairman CITI & Chairman, Maral Overseas Ltd.
Mr. S.V. Arumugam	Past Chairman CITI & MD, Bannari Amman Spg. Mills Ltd.
Members:	
Mr. P. Nataraj	Chairman, SIMA & Managing Director, KPR Mill Ltd.
Mr. K. Vinayakam	Deputy Chairman, SIMA & Managing Director, SCM Textile Spinners
Mr. Rakesh Mehra	President – ISA & Vice Chairman, Banswara Syntex Ltd.
Mr. S.K. Gupta	President (Corporate), Raymond Limited
Mr. R. Rajkumar	Managing Director, Best Cotton Mills
Mr. N. Chandran	CMD, Eastman Spinning Mills P Ltd.
Mr. A. Senthil	CEO, Bannari Amman Spg. Mills Ltd.

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on TUF & Other Subsidies	
Convenor:	Dr. V.K. Ladia, Past Chairman, CITI & CMD, Shree Rajasthan Syntex Ltd.
Co-Convenor:	Dr. K. Selvaraju, Secretary General, SIMA
Advisors:	Shri Prem Malik, Past Chairman, CITI
Members:	
Mr. Rakesh Mehra	President – ISA & Vice Chairman, Banswara Syntex Ltd.
Mr. Vineet Mohota	Director, Gimatex Industries Pvt. Ltd.
Mr. S.K. Khandelia	President, Sutlej Textiles Industries Ltd.
Mr. P Nataraj	SIMA Chairman & Managing Director, KPR Mill Ltd.
Mr. Ashwin Chandran	Vice Chairman & CMD, Precot Meridian Ltd.
Mrs. Mridula Ramesh	Executive Director, Sundaram Textiles Ltd.
Mr. Aditya Krishna Pathy	Whole Time Director, The Lakshmi Mills Ltd.

CITI's Sub Committee on Technical Textiles	
Convenor:	Mr. M. Senthil Kumar, Managing Director, BKS Textiles P. Ltd.
Co-convenor:	Mr. Ashwin Chandran, VC – SIMA & CMD, Precot Meridian Ltd.
Members:	
Mr. K. Vinayakam	Deputy Chairman, SIMA & Managing Director, SCM Textiles Spinners
Dr. A. Shanmugavasan	Managing Director, KOB Medical Textiles P. Ltd.
Dr S K Sundara Raman	Vice-Chairman, Indian Technical Textiles Association

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Foreign Trade Policy	
Convenor:	Mr. Prem Malik, Past Chairman, CITI
Co-convenor:	Mr. Ashwin Chandran, VC-SIMA & CMD, Precot Meridian Ltd.
Advisors:	
Mr. B.K. Patodia	Past Chairman, CITI & CMD, GTN Textiles Ltd.
Mr. R.K. Dalmia	Past Chairman, CITI & Sr. President, Century Text & Inds. Ltd.
Mr. Shekhar Agarwal	Past Chairman, CITI & Managing Director, Maral Overseas Ltd.
Members:	
Dr. K.V. Srinivasan	Managing Director, Premier Mills Ltd.
Mr. M. Senthil Kumar	Managing Director, BKS Textiles P. Ltd.
Mr. S. Dinakaran	Jt. Managing Director, Sambandam Spg. Mills Ltd.
Mr. Umang Patodia	Managing Director, Patspin India Ltd.
Mr. Prashant Mohota	Managing Director, Gimatex Industries Pvt. Ltd.
Mr. R.K. Agarwal	Jt. Managing Director, Suryavanshi Spg Mills Ltd.
Mr. V. Sudhakar Chowdary	Managing Director, Mohan Spintex India Ltd.
Mr. Aditya Krishna Pathy	Whole Time Director, The Lakshmi Mills Ltd.

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Labour	
Convenor:	Mr. T. Rajkumar, Deputy Chairman, CITI & MD, Sri Mahasakthi Mills Ltd.
Co-convenor:	Dr. K. Selvaraju, Secretary General, SIMA
Advisors:	
Mr. B.K. Patodia	Past Chairman, CITI & CMD, GTN Textiles Ltd.
Mr. Jagadeesh Chandran	Past Chairman, SIMA
Mr. Shishir Jaipuria	Past Chairman, CITI & MD, Ginni Filaments Ltd.
Members:	
Dr. K.V. Srinivasan	Managing Director, Premier Mills Ltd.
Mr. Umang Patodia	Managing Director, Patspin India Ltd.
Mr. S.K. Gupta	President (Corporate), Raymonds Luxury Cottons Ltd.
Mr. G.K. Raman	Group Head (Corporate Affairs), Arvind Limited
Mr. Gaurav Kapoor	AVP (HR), Vardhman Textiles Ltd.
Mr. C. Valliappa	Chairman, Sona Synthetics Ltd.
Mr. P. Wellington Jebaraj	Advisor, Premier Mills Pvt. Ltd.

'CITI's Sub Committees on Various Issues of Textiles & Clothing Industry

CITI's Sub Committee on Textiles Machinery & Technology	
Convenor	Mr. Mehul Trivedi, Chairman, TMMA & Director, Indian Card Clothing Co. Ltd.
Co-Convenor	
Advisors:	
Mr. V.S. Velayutham	Managing Director, Sri Gomathy Mills Pvt. Ltd.
Members:	
Mr. Kishore Khaitan	Chairman, ITAMMA
Mr. Updeep Singh	Managing Director, ITEMA Weaving India Pvt. Ltd.
Mr. C.Kamakshi Sundaram	Vice President, (TMD) Voltas Limited
Mr. G. Balasubramanyam	Secretary General, NITMA
Mr. R. Rajendran	Director (Finance), Lakshmi Machine Works Ltd.
Dr. K V Srinivasan	Managing Director, Premier Mills Ltd.
Mr. Ashwin Chandran	Vice Chairman, SIMA & CMD, Precot Meridian Ltd.
Mr. M. Sivabalasubramaniam	Sr. Vice President (Op), GHCL Ltd.
Mr. V. Mani Naryan	Executive Director, Sri Gomathy Mills P Ltd.

CITI ACTIVITIES

Meetings, Representations and Press Releases

A. Major Meetings & Conferences Attended by CITI

Meeting with Hon'ble Union Minister of Commerce & Industry on Trade Remedial Measures

Dr. Harish Anand, Economist, Vardhamn Group, Shri Ravinder Rawat, Deputy Secretary, CITI and Shri Anmol Gupta, Research Associate, CITI attended the meeting on trade remedial measures under the Chairmanship of Hon'ble Union Minister of Commerce & Industry on 11th Sept 2019 in Ashok Hotel, Chankyapuri, New Delhi.

Meeting with Secretary (Textiles) to discuss action plan to materialise export opportunities arising out of trade war between USA and China

Shri Rajeev Gopal, Shri Ajay Sardana, Grasim, Aditya Birla Group and Shri Ravinder Rawat, Deputy Secretary, CITI attended the meeting with Secretary (Textiles) to discuss action plan to materialise export opportunities arising out of trade war between USA and China held on 9th Sept 2019 in the Udyog Bhawan, New Delhi

Meeting with CEO, NITI Aayog and Secretary (Textiles) on MMF Issues

A joint delegation of CITI and ISA comprising Shri S.N. Modani, MD, Sangam India Ltd. Shri Riju Jhunjhunwala, MD, RSWM Ltd. Shri Prashant Mohota, MD, Gimatex Industries Pvt Ltd., Shri M.K. Agarwal, JMD, Suryalata Spg Mills Ltd. and Deputy Secretary, CITI met CEO, NITI Aayog and Shri Ravinder Rawat, Secretary (Textiles) on MMF Issues on 07.09.2019 in NITI Aayog, New Delhi

Meeting with Vice Chairman, NITI Aayog on crucial issues of T&C Industry

A CITI delegation comprising Shri D.L. Sharma Vice Chairman, CITI Shri Shishir Jaipuria, Past Chairman, CITI, Dr. S. Sunanda, Secretary General, CITI and Shri Chetan Bijesure, Director, FICCI met Dr. Rajiv Kumar to discuss the crucial issues of T&C Industry on 5th September 2019 at NITI Aayog, New Delhi

Seminar on Enabling Competitiveness in Apparel Sector & Launch of Compendium for Good Management Practices

Secretary General, CITI and Deputy Secretary, CITI attended the seminar on Enabling Competitiveness in Apparel Sector & Launch of Compendium for Good Management Practices on 30th August 2019, at Taj Hotel, New Delhi.

Discussion on the crucial issues of the T&C Industry

A CITI delegation comprising Shri Sanjay K Jain, Chairman, CITI, Shri Shekhar Agarwal and Shri Shishir Jaipuria, Past Chairmen, CITI, Shri Durai Palanisamy, ED, Pallava Group and Dr. S. Sunanda, SG, CITI met Shri Piyush Goyal, Hon'ble Union Minister of Commerce & Industry to have discussion on the crucial issues of the T&C Industry on 27th August 2019 in the Udyog Bhawan, New Delhi.

Meeting with Minister of State for Commerce

Vice Chairman, CITI and Secretary General, CITI met Shri Som Parkash, Hon'ble State Minister of state for Commerce, to discuss the crucial issues of T&C Industry on 26th August 2019 in the Udyog Bhawan, New Delhi.

Understanding the ZDHC Programme Conference

Deputy Secretary, CITI attended the Conference on “Understanding The ZDHC Programme Conference” on 23rd August 2019 at Tivoli Royal Court, New Delhi.

Meeting with Special Secretary, GST Council on GST issues

Secretary General, CITI met Dr. Rajeev Ranjan, Special Secretary, Office of the GST Council Secretariat to discuss the issue of Textile Industry being denied refund of excess ITC due to inverted duty structure of goods & supplies mainly because of preferential adjustment of excess ITC as a result inverted duty structure against output liability on 21st August 2019 at Jeevan Bharti Building, New Delhi.

“Samarth” Scheme for capacity building in textile sector (SCBTS)

Secretary General, CITI and Deputy Secretary, CITI attended the Conference on Samarth Scheme for capacity building in textile sector (SCBTS) 14th August 2019 at Vigyan Bhawan, New Delhi.

Meeting in NITI Aayog on MEIS

Secretary General, CITI attended a Meeting on MEIS on 13th August 2019 in NITI Aayog, New Delhi.

Meeting with Secretary (Textiles) on T&C Issues

Chairman, CITI, President, ISA and Secretary General, CITI met the Secretary (Textiles) on T&C Issues on 9th August 2019 the Udyog Bhawan, in New Delhi.

11th meeting of All India Customs Consultative Group (CCG)

Secretary General, CITI and Sr. Vice President (Commercial & Legal), Vardhman Group attended the 11th meeting of All India Customs Consultative Group (CCG) on 9th August 2019 at NDMC, Convention Center, New Delhi.

Meeting with Additional Secretary & Director General, DGTR on MMF issues

Secretary General, CITI met Additional Secretary, DGTR on MMF Issues on 9th August 2019 in the Office of DGTR, New Delhi.

Meeting with Trade Advisor (Textiles)

Chairman, CITI and Secretary General, CITI met the Trade Advisor (Textiles) on MMF issues on 8th August 2019 in the Udyog Bhawan, New Delhi.

Meeting with Secretary (Textiles)

Chairman, CITI and Secretary General, CITI met Secretary (Textiles) on T&C Issues on 8th August 2019 in the Udyog Bhawan, New Delhi.

FIEO's Interactive Meeting with Hon'ble Minister of Commerce & Industry

Secretary General, CITI attended the Interactive Meeting under the Chairmanship of Hon'ble Minister of Commerce & Industry organised by FIEO on 31st July 2019 at Hotel the Ashok, Chankyapuri, New Delhi.

NITMA 62nd AGM

Secretary General, CITI attended the NITMA 62nd AGM on 25th July 2019 at Hyatt Regency, Ludhiana.

RCEP Stakeholders Meeting on Chemicals, Pharma, Plastics, Rubber, Leather, Textiles

Dr. Harish Anand, Strategic Planning, Vardhman Textiles Limited & Secretary General, CITI attended the RCEP Stakeholders meeting on Chemicals, Pharma, Plastics, Rubber, Leather, Textiles on 23rd July 2019 in the Udyog Bhawan, New Delhi.

CII Textile Industry Interaction with Uganda Delegation

Secretary General, CITI and Deputy Secretary, CITI attended the Conference on Textile Industry Interaction with Uganda Delegation organized by CII on 23rd July 2019 at Amaltas, IHC, New Delhi.

Invite for Stakeholder Consultation Workshop to provide comments and suggestions on the Energy Conservation Act, 2001

Secretary General, CITI attended the Conference on Stakeholder Consultation Workshop to provide comments and suggestions on the Energy Conservation Act, 2001 on 16th July 2019 at Shangri-La's - Eros Hotel, New Delhi.

Meeting on Discussion on Strengthening Bilateral Cooperation

Secretary General, CITI and Deputy Secretary, CITI met Mr. Jung, Vice Chairman, KOFTI, to discuss strengthening bilateral cooperation on 12th July 2019 at CITI office, New Delhi.

Stakeholder Consultation Meeting on Textile Sector for RCEP

Secretary General, CITI met Additional Secretary, Department of Commerce on Stakeholder Consultation Meeting to discuss Textile Sector for RCEP on 10th July 2019 in the Udyog Bhawan, New Delhi.

Inauguration of 63rd India International Garments Fair

Secretary General, CITI and Deputy Secretary, CITI attended the Inauguration of 63rd India International Garments Fair 4th July 2019 at IEML, Noida.

Meeting with Hon'ble Union Minister of Commerce and Industry & Hon'ble Union Minister of Textiles

Chairman, CITI, Vice Chairman, CITI & Secretary General, CITI attended the Meeting with Hon'ble Union Minister of Commerce and Industry & Hon'ble Union Minister of Textiles on T & C issues on 1st July 2019 at Parliament House, New Delhi.

Meeting with Hon'ble Union Minister of Textiles

Chairman, CITI and Secretary General, CITI met the Hon'ble Union Minister of Textiles on T&C issues on 26th June 2019 in the Udyog Bhawan, New Delhi

Meeting with Joint Secretary on Skill Development (Samarth) for T&C Sector

Secretary General, CITI and Director, TSC met Joint Secretary, on Skill Development (Samarth Scheme) for T&C Sector on 20th June 2019 in the Udyog Bhawan, New Delhi

Meeting on Bangladesh Boarder Issue

Mr. Rajesh Chopra, Senior Vice President, (Commercial & Legal) Vardhman Textiles Limited, Mr. Aviram Keshava, Head - Export Commercial, Arvind Limited & Secretary General, CITI met Shri. N. Sivasailam, IAS, Special Secretary (Logistics), Ministry of Commerce & Industry to discuss Bangladesh Boarder Issue, on 19th June 2019 in New Delhi.

Meeting with PANKO Corporation, South Korea

Secretary General, CITI and Deputy Secretary, CITI met PANKO Corporation officials regarding opinion for Indian Textile business & Fabric sourcing etc. on 18th June 2019 at CITI office, New Delhi.

Meeting of Consultative Committee on CAB

Shri Prem Malik, Past Chairman, CITI attended the Meeting of CAB held on 18th June 2019 in the Conference Hall of the office of the Textile Commissioner, Mumbai.

ASSOCHAM Meeting under the Chairmanship of Secretary (Textiles) to discuss implementation of RoSCTL through IT driven Scripts

Secretary General, CITI attended the ASSOCHAM Meeting under the Chairmanship of Secretary (Textiles) to discuss implementation of RoSCTL through IT driven Scripts, held on 13th June 2019 at ASSOCHAM office, New Delhi.

Meeting with Joint Secretary (Commerce) on EXIM related issues pertaining to T&C industry

Secretary General, CITI and Secretary General, SIMA met Joint Secretary (Commerce) on EXIM related issues pertaining to T&C industry held on 12th June 2019 in New Delhi.

Meeting with Hon'ble Minister of Textiles on TUF

Secretary Generals, CITI & SIMA attended the meeting to discuss on Protocol for verification on machinery procured under previous versions of TUFs on 12th June 2019 in New Delhi.

Social and Labor Convergence Programme (SLCP) launch events at AEPC, Gurugram

Secretary General, CITI attended the Social and Labor Convergence Programme (SLCP) launch event at held on 7th June, 2019 at AEPC Apparel House, Gurugram.

Meeting with Mr. Prem Kumar Kataria, Additional Secretary, Ministry of Textiles, on TUFs issues

Vice Chairman, CITI and Secretary General, CITI met Mr. Prem Kumar Kataria, Additional Secretary, Ministry of Textiles on TUFs issues, held on 6th June, 2019

Joint Meeting of Board of Trade & Councils for Trade Development and Promotion under Chairmanship of Shri Piyush Goyal, Hon'ble Union Minister Commerce & Industry

Chairman, CITI and Secretary General, CITI met Shri Piyush Goyal, Hon'ble Union Minister Commerce & Industry, during the Joint Meeting of Board of Trade & Councils for Trade Development and Promotion held on 6th June 2019

Farewell to Former Hon'ble Minister of State for Textiles on 02.06.2019 at Crafts Museum New Delhi

Vice Chairman, CITI & Secretary General, CITI attended the Farewell to Shri Ajay Tamta, Former Hon'ble Minister of State for Textiles, Ministry of Textile organised by Ministry of Textiles, on 2nd June 2019, at Crafts Museum, New Delhi.

Pre-Budget Meeting for the General Budget 2019-20

Vice Chairman, CITI, Secretary General, CITI & Shri Rajesh Chopra, Sr. Vice President (Commercial & Legal), Vardhman Textiles Ltd. attended the Pre- Budget meeting for the General Budget 2019-20 Organized by Ministry of Finance Scheduled on 28th May 2019, at Kalpavrisksha, Room No: 158, First Floor, North Block, New Delhi.

Meeting to discuss issues relating to textile items in Wholesale Price Index basket

Economist, CITI & Deputy Secretary, CITI attended the meeting to discuss issues relating to textile items in Wholesale Price Index basket organised by Ministry of Commerce and Industry, held on 28th May, 2019 in Room No.522-D Udyog Bhawan, New Delhi

APPAREL CONNECT 2019

Chairman, CITI and Secretary General, CITI attended the Apparel Connect 2019 Conference, held on 16th May, 2019 in Shangri- La's - Eros Hotel, New Delhi.

ASSOCHAM – Textiles Council Meeting

Secretary General, CITI attended the Textiles Council Meeting Organized by ASSOCHAM, held on 2nd May 2019, at ASSOCHAM House, New Delhi.

Project Management Units (PMU) setup under Ministry of Skill Development and Entrepreneurship to design the Vision for 2025

Secretary General, CITI met Shri Kashish Saluja, Dalberg Advisors, on Project Management Units (PMU) setup under Ministry of Skill Development and Entrepreneurship to design the Vision for 2025, on 30th April 2019 at CITI office.

Interaction with Vietnam Ambassador on Investment Opportunities in Vietnam

Secretary General, CITI attended the Seminar on “Interaction with Vietnam Ambassador on Investment Opportunities in Vietnam” held on 25th April 2019.

Second Meeting to Discuss Safeguard and Other Related Issues

Secretary General, CITI and Shri Rajesh Chopra, Sr. VP, Vardhman Textiles Limited attended the Second Meeting to Discuss Safeguard and Other Related Issues meeting organized by DGTR held on 29th April 2019 in Jeevan Tara Building, New Delhi.

Meeting with Joint Secretary, MOC, on MMF issues

Shri Rakesh Mehra, Co-Convener, Sub-Committee on MMF and Secretary General, CITI met Shri Keshav Chandra, Joint Secretary, Ministry of Commerce and Industry on MMF issues, on 11th April 2019, at Ministry of Textiles in New Delhi.

Indian Textile Trade Delegation to ITALY and MOU signed between CITI and ACIMIT (ITALY)

Secretary General, CITI was part of the Indian Textile Trade Delegation to ITALY between 23rd March 2019 to 31st March 2019 in ITALY. An MOU was signed between CITI and ACIMIT (ITALY) during the visit.

Objections against the directives for exorbitant hike in insurance premium of the Textile Mills by the General Insurance Corporation of India

Vice Chairman, CITI led a delegation along with a few senior CITI Members, including Secretary General, CITI on the above subject and met Shri Suchindra Misra, JS, Ministry of Finance. They also met Secretary (Textiles), Trade Advisor, MOT in this regard, on 15th March 2019, at Ministry of Textiles in New Delhi.

Trade Promotion Meeting between official of “Fashion Globus Ukraine” and “Confederation of Indian Textile Industry (CITI)”

Secretary General, CITI & CITI officials met Miss Golda Vinogradskaya on Trade Promotion Meeting between official of “Fashion Globus Ukraine” and “Confederation of Indian Textile Industry (CITI)” held on 15th March 2019 at CITI Office, New Delhi.

Launch of Comprehensive Scheme for the Development of Knitting & Knitwear Sector

Secretary General, CITI attended the event on Launch of Comprehensive Scheme for the Development of Knitting & Knitwear Sector in Habitat Centre held on 28th February 2019, New Delhi.

3rd Meeting of the Inter - Ministerial Steering Committee (IMSC) under Amended Technology Up-gradation Fund Scheme (A-TUFS)

Chairman, CITI and Secretary General, CITI attended the 3rd Meeting of the Inter- Ministerial Steering Committee (IMSC) under Amended Technology Up – gradation Fund Scheme (A- TUFS) organized by Ministry of Textiles, held on

27th February 2019 in Udyog Bhawan, New Delhi.

Meeting with Joint Secretary, MOC on MMF issues

Chairman, CITI, Secretary General, SIMA and Secretary General, CITI met Shri, Keshav Chandra, Joint Secretary, Ministry of Commerce and Industry to discuss on MMF issues, on 25th February 2019 in Udyog Bhawan, New Delhi.

Meeting with Joint Secretary Duty Drawback, MOF on MMF issues

Secretary General, CITI met Shri Nitish K. Sinha, Joint Secretary Duty Drawback, Ministry of Finance on MMF issues, on 25th February 2019 in Jeevan Deep Building, New Delhi.

CEO Conclave, Investment & Partnership Summit in Hyderabad

Chairman, CITI and Secretary General, CITI attended the CEO Conclave; Investment & Partnership Summit Conference organized by DFU Publications India held on 19th to 20th February 2019 in Hyderabad.

Meeting with Ethiopian Ambassador Secretary General, CITI met Ethiopian Ambassador Mr. Asfaw Dingamo Kame on Promotion of Trade & Investment between two countries, held on 13th February 2019 in Embassy of Ethiopia, New Delhi.

Creating Synergy for MSEs in Textile Sector

Secretary General, CITI attended the Conference on Creating Synergy for MSEs in Textile Sector Meeting organized by Ministry of Textiles, held on 13th February 2019 in Dr. Ambedkar International Centre (DAIC), 15, Janpath, New Delhi.

International Textile Conference on “Textile 4.0 Second Edition”

Chairman, CITI attended the International Textile Conference on “Textile 4.0 Second Edition” Conference organized by The Textile Association (India), Mumbai Unit, held on 7th February 2019 in Hotel The Lalit, Mumbai.

First Clean Energy Forum Meeting Organization for Sustainable Communities

Deputy Chairman, CITI attended the meeting on First Clean Energy Forum Meeting Organization for Sustainable Communities held on 5th February 2019 in Hotel Velan Greenfields, Tirupur.

Issues relating to MEIS and other related export issues organised by Ministry of Finance

Secretary General, CITI attended the meeting on issues relating to MEIS and other related export issues organised by Ministry of Finance held on 4th February 2019 in Ministry of Textiles, New Delhi.

Formulation of Price Policy for Kharif Crops 2019-20

Secretary General, CITI attended the meeting on Formulation of Price Policy for Kharif Crops 2019-20 organized by CACP, Ministry of Agriculture & Farmers Welfare held on 1st February 2019 in Krishi Bhawan, New Delhi.

Global Investors Meeting 2019

Deputy Chairman, CITI attended and addressed the Global Investors Meeting 2019 as Penal Speaker on 24th January 2019 in Tamil Nadu.

NITI Aayog - ABB India Workshop on Manufacturing in the Age of Artificial Intelligence and Automation

Mr. Thyagu Valliappa, Vice Chairman, Sona Group of Companies and a few others from South attended the NITI Aayog - ABB India Workshop on Manufacturing in the Age of Artificial Intelligence and Automation, on behalf of CITI on 18th January 2019.

Launch of Coffee Table Book India Series: A Textile Story

Vice Chairman, CITI and Secretary General, CITI attended the book launch ceremony at the Chamber of the Hon'ble Union Minister of Textiles, on 16th January 2019. Also, attended the Press Meet at the Press Club.

Roundtable Discussion on NSDC's emerging role in skill ecosystem - accomplishments, challenges and opportunities

Deputy Chairman, CITI and Secretary General, CITI attended a Roundtable Discussion on NSDC's emerging role in skill ecosystem - accomplishments, challenges and opportunities organized by Ministry of MSDE and Meeting with Mr. A M Naik, Chairman, NSDC on 11th January 2019 in New Delhi.

Launch of FICCI – PwC India Manufacturing Barometer 2019 - Building Export Competitiveness by FICCI

Secretary General, CITI attended the Launch of FICCI – PwC India Manufacturing Barometer 2019 - Building Export Competitiveness Conference held on 9th January 2019 in FICCI, New Delhi.

Meeting to discuss Safeguard and other related issues

Secretary General, CITI and a representative of Vardhman Group, attended the meeting to discuss Safeguard and other related issues on 8th January 2019.

Ministry of Textiles, National Conference on Textiles "Accomplishments and Way Forward for Textiles Sector"

Chairman, CITI and Secretary General, CITI attended the National Conference on Textiles "Accomplishments and Way Forward for Textiles Sector organised by Ministry of Textiles, New Delhi on 6th January 2019.

Meeting to discuss the arrangements for the Conduct of TEXTN Global Textile Expo.

Deputy Chairman, CITI attended a meeting scheduled on 4th January 2019 under the Chairmanship of Principal Secretary to Government, Handlooms, Handicrafts, Textiles and Khadi, to discuss the arrangements for the Conduct of TEXTN Global Textile Expo. In Chennai.

2nd Meeting of Technical Committee Under ATUFS

The 2nd Meeting of Technical Committee Under ATUFS scheduled on 31st December 2018 was attended by Shri Prem Malik, Past Chairman, CITI.

CII-DIPP National Forum 'Towards \$1 Trillion Manufacturing Economy'

Vice Chairman, CITI Co-Chaired the Session on Textiles and Apparel of CII-DIPP National Forum 'Towards \$1 Trillion Manufacturing Economy' held on 17-18 December 2018 at Hotel Le-Meridien, New Delhi. SG, CITI also attended the meeting.

Meeting to discuss export-import related issues of the textile and clothing sector with JS (Textiles), Ministry of Commerce And Industry

Chairman, CITI and Secretary General, CITI attend the meeting to discuss export-import related issues of the textile and clothing sector with Joint Secretary (Textiles), Ministry of Commerce And Industry, on 14th December 2018.

Texcon'18

Chairman, Secretary General and Deputy Secretary, CITI attended the Texcon'18 organised by CII on 13-14 December 2018, in New Delhi.

10th Meeting of All India Customs Consultative Group (CCG)

Secretary General, CITI and the Senior Vice President (Commercial Dept.) Vardhman Textiles Ltd. attended the 10th Meeting of All India Customs Consultative Group (CCG) held on 11th December 2018 at 3 pm in Pravasi Bharatiya Kendra, MEA, 5A, Rizal Marg, Chankyapuri, New Delhi.

Meeting with Secretary, Chemicals on Issues related to enforcement of Bureau of Indian Standard (Caustic Soda) Order, 2018

Secretary General, CITI attended the Meeting with Secretary, (C&PC) on the issues related to enforcement of Bureau of Indian Standard (Caustic Soda) Order, 2018 (dated 3rd April 2018) on 29th November 2018 and also on 5th November 2018.

CITI Diamond Jubilee Celebrations - Global Textiles Conclave 2018

Office Bearers, CITI, Past Chairmen, CITI, Committee Members, CITI and CITI officials attended the CITI Diamond Jubilee Celebrations - Global Textiles Conclave 2018 held on 27-28th November 2018 at Hotel Le Meridien, New Delhi

1st Meeting of Consultative Committee of CAB for Cotton Season 2018-19

Shri Prem Malik, Past Chairman, CITI attended the 1st Meeting of Consultative Committee of CAB for Cotton Season 2018-19 under the Chairmanship of Shri Sanjay Sharan, Textile Commissioner, in Mumbai on 22nd November 2018.

12th Meeting of TAMC under A-TUFS

Dr. K. Selvaraju, SG, SIMA attended the 12th Meeting of Technical Advisory-cum-Monitoring Committee (TAMC) under A-TUFS on behalf of CITI under the Chairmanship of Shri Sanjay Sharan, Textile Commissioner, in Mumbai on 22nd November 2018.

CITI's Signing of MoU with Industries Commissioner, Government of Gujarat

Chairman, CITI signed an MoU between Industries Commissioner, Government of Gujarat & CITI in the presence of Hon'ble Chief Minister, Shri Vijaybhai Rupani and senior officials from the State Government, on 16th November 2018 in New Delhi with an objective to provide support to the Investors who have genuine interest to invest in Gujarat. CITI Secretary General also attended this Meeting.

Make in Odisha Conclave 2018

Chairman, CITI attended the Make in Odisha Conclave 2018 in Bhubaneswar, Odisha and addressed the Panel Discussion on the Textile and Apparel Sector on 13th November 2018.

Meeting with Secretary (Textiles) to discuss MMF Issues

Mr Rakesh Mehra, President, Indian Spinners Association, Mr Prashant Mohota, Chairman, CITI-YEG and Secretary General, CITI met Secretary, (Textiles) and made a Presentation on MMF on 5th November 2018.

Meeting to Review Textile Sector in NITI Aayog

Chairman, CITI made a Presentation before Mr. Amitabh Kant, CEO, NITI Aayog on the Issues of Textile and Apparel Sector on 27th October 2018. The Meeting was attended by Chairman, CITI and Secretary General, CITI.

Meeting with HMOT on CITI GTC 2018

Chairman, CITI and Secretary General, CITI met the Hon'ble Minister of Textiles to apprise about CITI GTC 2018 during Oct-Nov 2018.

Meeting with HMOC&I and Secretary (Commerce)

Chairman, CITI and Secretary General, CITI met the Hon'ble Minister of Commerce & Industry and Civil Aviation to him apprise about CITI GTC 2018 and import-export related issues of the Textile Industry during Oct-Nov 2018.

Meeting with Secretary, Textiles on CITI GTC 2018

Vice Chairman, CITI and Secretary General, CITI met the Secretary Textiles to apprise about CITI GTC 2018 and discuss TUFS related issues during October 2018.

Meeting with Secretary, Textiles

Chairman, CITI and Secretary General, CITI met the Secretary Textiles to apprise about CITI GTC 2018 and discuss TUFS related issues during October 2018.

Meeting with Joint Secretaries and Trade Advisor on CITI GTC 2018

Secretary General, CITI met the Joint Secretaries of Commerce & Textiles and Trade Advisor, Ministry of Textiles to discuss the progress of CITI GTC 2018 and textile related issues during October 2018.

Annual General Meeting of Textile Machinery Manufacturers' Association

Chairman, CITI addressed TMMA AGM as the Chief Guest of Meeting on 28 September 2018, and the Secretary General, CITI also attended the event in Mumbai.

Meeting of Cotton Association of India

Chairman, CITI and Secretary General, CITI attended the meeting of CAI on September 28, 2018 in Mumbai.

B. Major Representations submitted by CITI on T&C Industry Issues

Cotton Spinning Sector in dire-straits – Industry appeal for IES and RoSCTL for Cotton Yarn exports

CITI submitted representations to Smt. Nirmala Sitharaman, Hon'ble Union Minister of Finance, Shri Piyush Goyal, Hon'ble Union Minister of commerce, Industry and Railway, Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles and Dr. Rajiv Kumar, Vice Chairman, NITI Aayog on “Cotton Spinning Sector in a dire-straits – Industry appeal for IES and RoSCTL for Cotton Yarn exports” on 3rd September 2019.

Appeal to Safeguard and Promote Indian Textile & Clothing Industry

CITI submitted a representation to Shri Tarun Bajaj, Additional Secretary to PM, on “Appeal to Safeguard and Promote Indian Textile & Clothing Industry” on 30th August 2019.

Request for release of cotton bales stock procured by CCI at market-linked price

CITI submitted a representation to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles on “Request for release of cotton bales stock procured by CCI at market-linked price” on 29th August 2019.

Appeal to Safeguard and Promote Indian Textile & Clothing Industry

CITI submitted a representation to Shri Piyush Goyal, Hon'ble Union Minister of commerce, Industry and Railway, on “Appeal to Safeguard and Promote Indian Textile & Clothing Industry” on 28th August 2019.

Request for policy Interventions to safeguard Indian T&C Industry

CITI submitted a representation to Shri Som Parkash, Hon'ble State Minister of Commerce, on “Request for policy Interventions to safeguard Indian T&C Industry” on 26th August 2019.

A note on India losing its competitive advantage of cotton fibre

CITI submitted a representation to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles, on “A note on India losing its competitive advantage of cotton fibre” on 21st August 2019.

Continuation of MEIS for Fabrics, Apparels and Made-ups and Provision of ROSCTL for the entire textile value chain

CITI submitted a representation to Shri Narendra Modi ji, Hon'ble Prime Minister of India, on “Continuation of MEIS for Fabrics, Apparels and Made-ups and Provision of ROSCTL for the entire textile value chain” on 13th August 2019.

Request for not to impose customs duty on import of raw cotton

CITI submitted representations to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles and Dr. Anup Wadhawan, Secretary, MOC on “Request for not to impose Customs duty on import of raw cotton” on 9th August 2019.

Declining trend in exports of Cotton Yarn continues – the Indian Cotton Spinning Sector craves for ROSCTL to bail out the beleaguered sector

CITI submitted representations to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles and Shri Piyush Goyal, Hon'ble Union Minister of commerce, Industry and Railway, on “Declining trend in exports of Cotton Yarn continues – the Indian Cotton Spinning Sector craves for ROSCTL to bail out the beleaguered sector” on 30th July 2019.

Appeal to save Cotton Spinning sector – SOS from the Bleeding Spinning Fraternity

CITI submitted a representation to Shri Piyush Goyal, Hon'ble Union Minister of commerce, Industry and Railway, on “Appeal to save Cotton spinning sector – SOS from the Bleeding Spinning Fraternity” on 26th July 2019.

Proposed withdrawal of the MEIS for Made ups w.e.f. August 01, 2019 - Appeal to continue with MEIS till March 31, 2020

CITI submitted representations to Shri Alok Vardhan Chaturvedi, DG, DGFT, Dr. Anup Wadhawan, Secretary, MOC and Shri Ajay Srivastava, Economic Advisor, MOC on “Proposed withdrawal of the MEIS for Made ups w.e.f. August 01, 2019 - Appeal to continue with MEIS till March 31st 2020” on 25th July 2019.

Appeal to save Cotton Spinning sector – SOS from the Bleeding Spinning Fraternity

CITI submitted a representation to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles, on “Appeal to save Cotton spinning sector – SOS from the Bleeding Spinning Fraternity” on 24th July 2019.

Request for release of cotton bales stock procured by CCI at market price levels as the availability of stock is very limited in the market

CITI submitted a representation to Dr. P. Alli Rani Chairman – cum- MD, The Cotton Corporation of India Ltd. on “Request for release of cotton bales stock procured by CCI at market price levels as the availability of stock is very limited in the market” on 19th July 2019.

Continuous Fall in Exports brings T&C Industry to a Halt – Urgent Appeal for ROSCTL for Yarn & Fabric Sector

CITI submitted representations to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles and Shri Piyush Goyal, Hon'ble Union Minister of commerce, Industry and Railway, on “Continuous Fall in Exports brings T&C Industry to a Halt – Urgent Appeal for ROSCTL for Yarn & Fabric Sector” on 16th July 2019.

Request for provide access of utilization detail (Ledger) against authorization scrip (e.g. EPCG, Advance authorization, MEIS Scrip etc.) to registered ICE-gate users

CITI submitted a representation to Shri Alok Vardhan Chaturvedi, Director General, DGFT, MOC on “Request for providing access of utilization detail (Ledger) against authorization scrip (e.g. EPCG, Advance authorization, MEIS Scrip etc.) to registered ICE-gate users” on 10th July 2019.

Clarification regarding submission of Negative Statement in terms of Board's Circular No. 52009-cus.

CITI submitted a representation to Shri Raj Kumar Barthwal, Member (Customs), CBIC on “Clarification regarding submission of Negative Statement in terms of Board's Circular no. 52009-cus” on 10th July 2019.

Request for removal of the Average Export Obligation condition in EPCG Scheme

CITI submitted a representation to Shri Alok Vardhan Chaturvedi, Director General, DGFT, MOC on “Request for removal of the Average Export Obligation condition in EPCG Scheme” on 10th July 2019.

Issues in Rising Imports and Challenges in Exports of ReadyMade Garments with Bangladesh

CITI submitted representations to Shri Keshav Chandra, IAS, Joint Secretary, MOC & Ms. Aditi Das Rout, Trade Advisor, MOT on “Issues in Rising Imports and Challenges in Exports of ReadyMade Garments with Bangladesh” on 8th July 2019.

Request for Introduction direct subsidy mechanism for cotton farmers and Launch of Global Cotton Contract for Cotton Textile Value Chain

CITI submitted a representation to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles, on “Request for Introduction direct subsidy mechanism for cotton farmers and Launch of Global Cotton Contract for Cotton Textile Value Chain” on 4th July 2019.

Representation on Textile Industry being denied refund of excess ITC due to inverted duty structure of goods & supplies mainly because of preferential adjustment of excess ITC as a result inverted duty structure against output liability

CITI submitted representations to Shri Upender Gupta, Commissioner (GST Policy Wing), Central Board of Excise & Customs, MOF, Shri Yogendra Garg, Principle Additional Director General, Directorate General of GST, Dr. Rajeev Ranjan, Special Secretary, office of the GST Council Secretariat & Ms. Sherry Lal Thangzo, Economic Advisor, MOT on “Representation on Textile Industry being denied refund of excess ITC due to inverted duty structure of goods & supplies mainly because of preferential adjustment of excess ITC due to inverted duty structure against output liability” on 4th July 2019.

Request for release of consignment of Tussah Silk Top imported under Chapter 50 as Silk Waste held up at Customs for compliance of Hazardous & Other Waste Rules

CITI submitted a representation to Shri Ritesh Kumar Singh, Joint Secretary, Ministry of Environment, Forest & Climate Change on “Request for release of consignment of Tussah Silk Top imported under Chapter 50 as Silk Waste held up at Customs for compliance of Hazardous & Other Waste Rules” on 2nd July 2019.

A Brief Note on Bangladesh Border Issue

CITI submitted a representation to Ms. Aditi Das Rout, Trade Advisor, MOT on “A brief note on issues faced by the Indian Textile exporters with regard to Bangladesh boarder” on 28th June 2019.

Representation on GST Issue

CITI submitted a representation to Ms. Aditi Das Rout, Trade Advisor, MOT on “Representation on Textile Industry being denied refund of excess ITC due to inverted duty structure of goods & supplies mainly because of preferential adjustment of excess ITC as a result inverted duty structure against output liability” on 27th June 2019.

Request to policy support for the MMF Segment of Textile Value Chain

CITI submitted a representation to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles, on “Request to policy support for the MMF Segment of Textile Value Chain” on 27th June 2019.

Comments on Disclosure Statement in the matter of Sunset Review of anti-dumping duties on imports of PTA originating in or exported from Korea RP and Thailand

CITI submitted a representation to The Designated Authority, Directorate General of Trade Remedies, MOC on the above subject on 25th June 2019.

CITI's White Paper on the Indian Textile & Clothing Industry

CITI submitted representations to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles and Dr. Ajay Sahai, Director General & CEO, FIEO on “CITI's White Paper on the Indian Textile & Clothing Industry” on 17th June 2019.

Representation on GST Issue

CITI submitted representations to Shri Upendra Gupta, Commissioner (GST Policy Wing), Central Board of Excise & Customs, MOF, Shri Yogendra Garg, ADG, DGGST & Dr. Rajeev Ranjan, IAS, Special Secretary, office of the GST Council Secretariat on “Representation on Textile Industry being

denied refund of excess ITC due to inverted duty structure of goods & supplies mainly because of preferential adjustment of excess ITC as a result inverted duty structure against output liability” on 14th June 2019.

Request for relaxation in the mandatory condition of appointing Company Secretary for filing form Active INC-22A

CITI Submitted a representation to Shri Injeti Srinivas, IAS, Secretary, Ministry of Corporate Affairs on “Request for relaxation in the mandatory condition of appointing Company Secretary for filing form Active INC-22A” on 14th June 2019.

CITI's White Paper on the Indian Textile & Clothing Industry

CITI submitted a representation to, on CITI's White Paper on the Indian Textile & Clothing Industry, on 7th June 2019

Representation to Textile Commissioner, Ministry of Textiles on Non- release of subsidy against Term Loans sanctioned under M-TUFS - List I after 31.03.2017

CITI submitted a representation to Shri Sanjay A. Chahande, IAS, Textile Commissioner, Ministry of Textiles on Non-release of subsidy against Term Loans sanctioned under M-TUFS - List I after March 31, 2017, on 7th June 2019.

Compliance of Emission Norms for Captive Power Plants based on FBC vide directions under section 5 of Environment (Protect) Act 1986 of Central Pollution Control Board

CITI submitted a representation to Shri S.P. Singh Parihar, IAS, Chairman, Central Pollution Control Board, on Compliance of Emission Norms for Captive Power Plants based on FBC vide directions under section 5 of Environment (Protect) Act 1986 of Central Pollution Control Board, on 6th June 2019.

CITI's White Paper on the Indian Textile & Clothing Industry

CITI submitted representations to Shri Piyush Goyal, Hon'ble Union Minister of Commerce & Industry, Shri Hardeep Singh Puri, Hon'ble Minister of State for Commerce & Industry, Shri Som Parkash, Hon'ble Minister of State for Commerce & Industry, Dr. Anup Wadhawan, IAS, Secretary & Shri Keshav Chandra, IAS, Joint Secretary, Ministry of Commerce & Industry, on CITI's White Paper on the Indian Textile & Clothing Industry, on 6th June, 2019.

Address issues related to Technology Upgradation Fund (TUF) Scheme and expedite release of pending TUF Subsidy

CITI submitted representations to Shri Sanjay A. Chahande, IAS, Textile Commissioner, Ministry of Textiles, and Shri Prem Kumar Kataria, IAS, Additional Secretary, Ministry of Textiles, to address issues relating to Technology Upgradation Fund (TUF) Scheme and expedite release of pending TUF Subsidy, on June 3rd, 2019.

Submissions with reference to the directives for exorbitant hike in insurance premium of the Textile Mills by GICI

CITI submitted representations to the following people on the submissions with reference to the directives for exorbitant hike in insurance premium of the Textile Mills by GICI:

- Dr. Subhash C. Khuntia, Chairman, IRDAI, on May 28, 2019 & April 2, 2019
- Smt. Alice G Vaidyan, Chairman- cum – Managing Director, GICI, on March 29, 2019 & March 1, 2019
- Shri Raghvendra Singh, IAS, Secretary, MOT, on March 16, 2019
- Shri Keshav Chandra, IAS, JS, MOC, on March 16, 2019

Clarification in Customs Notification No.51/2015-Customs (ADD) dated 21st October 2015 and Customs Notification No.5/2016-Customs (ADD) dated 22nd February 2016

CITI submitted a representation to Shri G. D. Lohani, JS (TRU-1) Central Board of Indirect Taxes and Customs (CBIC), Department of Revenue, Ministry of Finance, on Request for Clarification in Customs Notification No.51/2015- Customs (ADD) dated 21st October 2015 and Customs Notification No.5/2016- Customs (ADD) dated 22nd February 2016, May 17th, 2019.

Suggestions with regard to Direct & Indirect Taxes for the Union Budget

2019-20

CITI submitted a representation to Shri G. D. Lohani, JS (TRU-1) Central Board of Indirect Taxes and Customs (CBIC), Department of Revenue, Ministry of Finance, on Suggestions with regard to Indirect Taxes for the Union Budget 2019-20, May 10th, 2019. The same was sent to MOT & MOC also. CITI also submitted a representation to Shri K. C. Varshney, JS Tax Policy and Legislation (TPL-1) Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, on Suggestions with regard to Direct Taxes for the Union Budget 2019-20, May 10th, 2019. The same was sent to MOT & MOC also.

Our submission to the objections raised by the Complainant during Oral Hearing in the matter of Sunset Review of Anti-dumping Investigation concerning imports of PTA originating in or exported from Korea PR and Thailand – Initiation F.No. 7/36/2018-DGTR dated 31.10.2018 along with additional submissions

CITI submitted a representation to The Designated Authority, Directorate General of Trade Remedies, MOC, on our submission to the objections raised by the Complainant during Oral Hearing in the matter of Sunset Review of Anti- dumping Investigation concerning imports of PTA originating in or exported from Korea PR and Thailand – Initiation F.No. 7/36/2018-DGTR dated 31.10.2018 along with additional submissions, May 10th, 2019.

R&D Grant for “InnoTex 2019”, an Innovation Contest, scheduled to be held along with 61st AGM of CITI

CITI submitted a representation to Shri Raghvendra Singh, IAS, Secretary, Ministry of Textiles, requesting for R&D Grant for “InnoTex 2019”, an Innovation Contest, scheduled to be held along with 61st AGM of CITI, May 7th, 2019.

Issues pertaining to 3rd IMSC Meeting held on 27.02.2019

CITI submitted a representation to Shri Raghvendra Singh, IAS, Secretary, Ministry of Textiles, on issues pertaining to 3rd IMSC Meeting held on 27.02.2019, May 6th, 2019.

Impact of GST on Freight which is already part of CIF value on which GST is already paid

CITI submitted representations to Dr. Rajeev Ranjan, IAS, Special Secretary, office of the GST Council Secretariat, and Shri Upendra Gupta, Commissioner (GST Policy Wing), Central Board of Excise & Customs, MOF, on impact of GST on Freight which is already part of CIF value on which GST is already paid, May 3rd, 2019.

Submissions regarding issues raised during Stakeholder Consultation on RCEP safeguard issues

CITI submitted a representation to Ms. Arti Bangia, Deputy Director (Statistics), Directorate General of Trade Remedies, MOC, on Submission regarding issues raised during Stakeholder Consultation on RCEP safeguard issues, April 29th, 2019.

Submission on the Oral Hearing in the matter of Sunset Review Anti- Dumping Investigation on Imports of Purified Terephthalic Acid (PTA), Originating in or Exported from Korea RP and Thailand

CITI submitted a representation to The Designated Authority, Directorate General of Trade Remedies, MOC, on Submission on the Oral Hearing in the matter of Sunset Review Anti-Dumping Investigation on Imports of Purified Terephthalic Acid (PTA), Originating in or Exported from Korea RP and Thailand, April 29th, 2019. Similar representation sent to MOT & MOC.

Appeal for an urgent meeting of the Consultative Committee of CAB on the backdrop of speculation of low cotton crop estimates for 2018-19

CITI submitted a representation to Shri Sanjay Sharan, IAS, Textile Commissioner, Officer of the Textile Commissioner, Ministry of Textiles, on Appeal for an urgent meeting of the Consultative Committee of CAB on the backdrop of speculation of low cotton crop estimates for 2018-19, April 16th, 2019.

Appeal to increase basic customs duty on VSF Spun Yarn

CITI submitted representations to Hon'ble Union Minister of Commerce and Industry and Civil Aviation, Ministry of Commerce and Industry and Hon'ble Union Minister of Textiles, Ministry of Textiles, on Appeal to increase basic customs duty on VSF Spun Yarn, April 4th, 2019.

Early release of cotton procured by CCI as hoarders pushing up for cotton prices due to its shortage in the domestic market

CITI submitted a representation to Dr. P. Alli Rani Chairman – cum- MD, The Cotton Corporation of India Ltd. on Request for early release of cotton procured by CCI as hoarders pushing up for cotton prices due to its shortage in the domestic market, on March 20, 2019.

Scheme for Rebate of State and Central Taxes & Levies on Exports of Garments & Made-ups

CITI submitted a representation to Shri Alok Vardhan Chaturvedi, IAS, DGFT, Ministry of Commerce and Industry on Scheme for Rebate of State and Central Taxes & Levies on Exports of Garments & Made-ups, on March 18, 2019.

Extension of IGST Exemption on Import of Capital Goods under EPCG Scheme and on Import of Inputs under Authorization Scheme

CITI submitted a representation to Shri Suresh Prabhu, Hon'ble Union Minister of Commerce and Industry and Civil Aviation, MOC on Request for extension of IGST Exemption on Import of Capital Goods Under EPCG Scheme and on Import of Inputs Under Authorization Scheme, on March 01, 2019.

Issues & Recommendations of T&C Industry with regard to 3rd Meeting of IMSC under A-TUFS

CITI submitted a representation to Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles, Ministry of Textiles, on Issues & Recommendations of T&C Industry with regard to 3rd Meeting of IMSC under A-TUFS, on February 25, 2019.

Import of Garments from Bangladesh jumps to unprecedented heights - Post GST

CITI submitted a representation to Shri Raghvendra Singh, IAS, Secretary, Ministry of Textiles, on Import of Garments from Bangladesh jumps to unprecedented heights – Post GST, on February 7, 2019.

Consent letter for direct transfer benefits of MEIS to Exporters

CITI submitted a representation to Shri Pranab Kumar Das, Chairman, Central Board of Excise & Customs, on Consent letter for direct transfer benefits of MEIS to Exporters, on February 5, 2019.

Problems faced in filing of “Inverted Duty Refunds” on GSTN Portal

CITI submitted a representation to Shri Upendra Gupta, Commissioner (GST Policy Wing), Central Board of Excise & Customs, Ministry of Finance on Problems faced in filing of “Inverted Duty Refunds” on GSTN Portal, on January 30, 2019.

Clarification on payment of GST on cost of employees employed by Corporate Offices, Head Offices or Branch Offices of the tax-payers

CITI submitted a representation to Shri Upendra Gupta, Commissioner (GST Policy Wing), Central Board of Excise & Customs, Ministry of Finance on Clarification on payment of GST on cost of employees employed by Corporate Offices, Head Offices or Branch Offices of the tax-payers, on January 30, 2019.

PowerPoint Presentation and a Summary on Challenges, Opportunities and Recommendations for the MMF Sector

CITI submitted a PowerPoint Presentation and a Summary on Challenges, Opportunities and Recommendations for the MMF Sector to the Secretary Textiles and Trade Advisor, Ministry of Textiles for their favourable consideration, on 17th January 2019.

Formulation of Price Policy for Kharif Crops for 2019-20 Season

CITI submitted its note on Cotton regarding formulation of Price Policy for Kharif Crops for 2019-20 Season, on 16th January 2019.

Nomination of Mr. Sanjay K Jain, Chairman, CITI on the Board of Directors of NSDC

CITI submitted the documents regarding nomination of Mr. Sanjay K Jain, Chairman, CITI on the Board of Directors of NSDC, on 15th January 2019.

Rumours in the market that Government may impose customs duty on import of raw cotton

CITI submitted a representation on Rumours in the market that Government may impose customs duty on import of raw cotton to the Hon'ble Union Minister of Commerce & Industry and the Hon'ble Union Minister of Textiles and the senior officials of both the Ministries, on 14th January 2019

PowerPoint Presentation on the Issues and Recommendations for the MMF Sector of India

CITI submitted a PowerPoint Presentation on the Issues and Recommendations for the MMF Sector of India to the Joint Secretary (Textiles), Ministry of Commerce & Industry, on 11th January 2019.

Textile Industry being denied refund of excess ITC due to inverted duty structure of goods & supplies due to preferential adjustment of excess ITC due to inverted duty structure against output liability

CITI submitted its representation on the above subject to GST Council members on 7th January 2019 and also requested NCTC members to kindly write to GST Council members from their sides.

Continuation of Exemption of IGST on Import of goods under EPCG Scheme

CITI submitted its representation to Shri Yogendra Garg, ADG-DGGST and Shri Upendra Gupta, Commissioner (GST Policy Wing) on continuation of Exemption of IGST on Import of goods under EPCG Scheme and marked a copy to Secretary (Textiles) for favourable consideration, on 4th January 2019.

Appeal to reduce the Hank Yarn Obligation – requested

CITI submitted its representation to the Hon'ble Union Minister of Textiles to reduce the Hank Yarn Obligation from present 40% to 25% in the first phase for a period of six month and review the decision after six months and take further decision on it after that, on 4th January 2019.

A Summary on Challenges, Opportunities and Recommendations for the MMF Sector

CITI made a representation to Joint Secretary (Textiles), Ministry of Commerce and Industry and Trade Advisor, Ministry of Textiles on A Summary on Challenges, Opportunities and Recommendations for the MMF Sector, on 21st December 2018.

India's Textile and Apparel Imports - Pre & Post GST

CITI made a representation to Joint Secretary (Textiles), Ministry of Commerce and Industry and Trade Advisor, Ministry of Textiles on India's Textile and Apparel Imports – Pre & Post GST, on 20th December 2018.

Non-refund of Excess ITC in case of Inverted Duty Structure of input supplies due RFD1 Calculation Format

CITI submitted its representation on Non-refund of excess ITC in case of inverted duty structure of input supplies due RFD1 Calculation Format to the Hon'ble Union Minister of Textiles, Ministry of Textiles, Finance Secretary, Ministry of Finance, Shri Yogendra Garg, ADG-DGGST and Shri Upendra Gupta, Commissioner (GST Policy Wing) on 13th and 17th December 2018, respectively.

A note on India's rising trade deficit with China

CITI made representation to Dr. Harsha Vardhana Singh, Former Deputy Director (WHO) on India's rising trade deficit with China, on 7th December 2018.

Initiation of Sunset Review Anti-Dumping Investigation on Imports of Purified Terephthalic Acid (PTA), Originating in or Exported from Korea RP and Thailand

CITI submitted a representation on Initiation of Sunset Review Anti-Dumping Investigation on Imports of Purified Terephthalic Acid (PTA), Originating in or Exported from Korea RP and Thailand to the Designated Authority, Directorate General of Trade Remedies requesting to make CITI an interested party on the above initiation on 6th December 2018.

CITI-CDRA Cotton Development Reports in Rajasthan, Maharashtra and Madhya Pradesh Districts

CITI submitted its CITI-CDRA Cotton Development Reports to the Hon'ble Vice-President of India, Shri M. Venkaiah Naidu, stating about the activities being carried out by CDRA in Rajasthan, Maharashtra and Madhya Pradesh Districts on cotton development, on 4th December 2018.

CITI Inputs on Production of Cotton Crop for the Cotton Season 2018-19 for the 1st Meeting of the Consultative Committee Meeting of CAB

CITI submitted its Inputs on production of cotton crop for the cotton season 2018-19 for the 1st meeting of the Consultative Committee Meeting of CAB, on 21.11.18.

Request for issuance of clarification that Service tax is not leviable on the Subsidy/ Grant/ Incentives provided by the Government to the industry

CITI submitted its representation to Chairman, CBIC, Member (Service Tax), Commissioner (Service Tax) and other senior officials of Ministry of Finance requesting them for issuance of clarification that Service tax is not leviable on the Subsidy/ Grant/ Incentives provided by the Government to the industry, on 10th November 2018.

Presentation on the Issues and Recommendations of the Textile and Clothing (T&C) Sector of India

CITI submitted its presentation to the Textile Secretary on the Issues and Recommendations of the Textile and Clothing (T&C) Sector of India, on 09.11.2018.

Appeal to hold PAC meeting on an urgent basis

CITI made a representation to the Textile Secretary requesting to hold Public Accounts Committee (PAC) Meeting urgently to release the 2nd Grant to Hinganghat Integrated Textile Park under the Scheme of SITP in 2015, on 2nd November 2018.

10th Meeting of All India Customs Consultative Group (CCG)

CITI submitted its issues for the 10th Meeting of All India Customs Consultative Group (CCG) on 31st October 2018.

Relaxation in Bureau of Indian Standard (Caustic Soda) Order, 2018

CITI made a representation to the Ministry of Chemicals & Fertilisers for relaxation in Bureau of Indian Standard (Caustic Soda) Order 2018 till 31st March 2019 to enable foreign producers to comply with the above Order, on 30th October 2018.

Submission of comments/suggestions for the proposed draft Amendment in Electricity Act 2003

CITI made a representation on proposed draft amendment in the Electricity Act 2003 and thereby submitted its comments and suggestion to the Ministry of Power on 30th October 2018.

Presentation before CEO, NITI Aayog during a Review Meeting

CITI made a Presentation before Mr. Amitabh Kant, CEO, NITI Aayog on the Issues of Textile and Apparel Sector during a Review Meeting held on 27th October 2018. The Meeting was attended by Chairman, CITI and Secretary General, CITI.

Request for Inclusion of Confederation of Indian Textile Industry in the eligible list of other approved trade bodies for grant of MDA & MAI assistance

CITI made a request to the Ministry of Textiles to include CITI in the eligible list of other approved trade bodies for grant of MDA & MAI assistance, on 24th October 2018.

Meeting with Commerce Secretary to discuss issues pertaining to the textile industry

Chairman, CITI and SG CITI met with the Commerce Secretary, Dr. Anup Wadhwan to discuss major import-export issues concerning the textile industry on 17.10.2018.

Suggestions on New Textile Policy of the Government of Gujarat

CITI submitted a representation to the Hon'ble Chief Minister of Gujarat, Shri Vijay Rupani, giving its suggestions on the new textile policy announced by the Government of Gujarat, on 10th October 2018.

Appeal to call for IMSC meeting to resolve long pending TUFS subsidy issues

CITI submitted a representation to the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani, to call for the 3rd IMSC meeting urgently to look into the progress of the issues undertaken during the 2nd IMSC meeting held on 23.03.2018, on 05.10.2018.

Appeal to enable Ease of Doing Business in the Textile Industry

CITI submitted a representation to the Members of Parliamentary Consultative Committee on Textiles

requesting them to look into the huge blockage of TUFS funds of Rs.8000 crores (committed liabilities under various TUF and A-TUF Schemes and favourably look to the recommendations of the textile sector in reduction of Hank Yarn Obligation from 40% to 10% on 4th October 2018.

Appeal to enable Ease of Doing Business in the Textile Industry

CITI submitted a representation to Shri Ajay Tamta, Union Minister of Textiles for State and Member of Parliamentary Consultative Committee on Textiles requesting her to address the issues of the textile industry especially related to pending subsidy issues of TUFS and reduction of hank yarn obligation from 40% to 10%, on 4th October 2018.

C. CITI issued the following Press Releases:

CITI Demands ROSCTL for Yarn and Fabric Exports on 19th August 2019.

Government aims to achieve US\$ 5 Trillion economy in the next 5 years on 5th July 2019.

Policy Support Needed to Make Indian T&C Sector a US\$ 350 BN Industry by 2024-25 on 29th May 2019.

Indian Textile Industry needs to gear up for reaping RCEP benefits on 27th May 2019.

USA Increases Additional Tariff to 25% on US \$200 billion Imports from China - an Opportunity for India's Textiles Industry on 17th May 2019.

CITI Estimates Cotton Crop to Be 343 Lakh Bales for 2018-19 on 15th April 2019.

CITI Welcomes the New Textile Policy 2019 announced by the Tamil Nadu Government on 09th March 2019.

CITI Hails Reduction in Hank Yarn Obligation from 40% to 30% as Historical on 08th March 2019.

CITI hails the Scheme to Rebate State and Central Embedded Taxes to Support the Textile & Clothing Industry on 07th March 2019.

CITI hails Comprehensive Scheme for the Development of Knitting & Knitwear Sector as Historical on 28th February 2019.

Indian Cotton Textiles Suffering serious disadvantages due to tariff issues in Major Markets on 11th February 2019.

207 HSN Codes Notified as Technical Textiles: A Welcome Step by the Government CITI on 17th January 2019.

CITI Welcomes Gujarat Textile Policy & Requests Other States to Follow on 11th January 2019.

Pain In Indian Textile Sector Reduces As Industry Grows – CITI on 8th January 2019.

Textile Show “Artisan Speak” and “National Conference on Textiles organised by Ministry of Textiles to chart out Way Forward” on 7th January 2019.

Hon'ble Union Minister Suresh Prabhu hands over awards in INNOTEX 2018 - First-Ever Textile Innovation Contest organised by CITI" on 1st December 2018.

CITI Diamond Jubilee Celebrations Ends on a High Note, on 28th November 2018.

India's Textile and Apparel Exports & IIP Registers Staggering Growth in the Month of October- CITI on 16th November 2018

Quick Estimates of IIP Show Major Jumps for Textile & Clothing Sector: CITI on 13th October 2018

CONFEDERATION OF INDIAN TEXTILE INDUSTRY

(Formerly known as The ICMF)

NAME OF THE PAST CHAIRMAN	PERIOD
LATE SHRI KASTURBHAI LALBHAI	1958-59
LATE SHRI KRISHNARAJ M.D. THACKERSEY	1960
LATE DR. BHARAT RAM	1961-62
LATE DR. RAMNATH A. PODAR	1963-65
LATE CAV. DR. G.K. DEVARAJULU	1965-66
LATE SHRI MADANMOHAN MANGALDAS	1967-68
LATE SHRI RADHAKRISHNAR. RUIA	1969-70
LATE SHRI TEJ KUMAR SETHI	1971-73
LATE SHRI G.K. SUNDARAM	1973-75
LATE SHRI BALKRISHNA HARIVALLABHDAS	1975-77
LATE SHRI RASESH N. MAFATLAL	1977-78
SHRI J.P. GOENKA	1978-80
SHRI K. RAJAGOPAL	1980-82
LATE SHRI ARVIND NAROTTAM LALBHAI	1982-84
SHRI KANTIKUMAR R. PODAR	1984-86
SHRI SATISH KUMAR MODI	1986-88
LATE SHRI G. VARADARAJ	1988-90
SHRI ROHITBHAI C. MEHTA	1990-92
LATE DR. MOHANLAL PIRAMAL	1992-94

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SHRI R.V. KANORIA	1994-95
SHRI D. LAKSHMINARAYANASWAMY	1995-97
SHRI DEEPAK PARIKH	1997-98
SHRI SUDHIR THACKERSEY	1998-00
SHRI B.K. PATODIA	2000-01
LATE DR. RAJARAM JAIPURIA	2001-02
SHRI CHINTAN PARIKH	2002-03
DR. B.K. KRISHNARAJ VANAVARAYAR	2003-04
SHRI V.K. LADIA	2004-05
SHRI HIREN SHAH	2005-06
SHRI SHEKHAR AGARWAL	2006-07
SHRI P.D. PATODIA	2007-08
SHRI R.K. DALMIA	2008-09
SHRI SHISHIR JAIPURIA	2009-11
SHRI S.V. ARUMUGAM	2011-13
SHRI PREMMALIK	2013-15
SHRI NAISHADH PARIKH	2015-17
SHRI J. THULASIDHARAN	2017



Shri D.K. Mittal, President, Maral Overseas Ltd. receiving CITI Birla Award 2017-18

CITI's Birla Economic and Textile Research Foundation has been granting awards for excellence on various areas of Textile activity every year. For the year 2017-18, the jury consisting of Director General, NITRA as Chairman and Directors of BTRA, ATIRA and SITRA as members, selected M/s Maral Overseas Ltd., as winner for **Sustainability in Textile Industry**. Cash award of Rs.2 lakhs and a citation were received by Shri D.K. Mittal, President, Maral Overseas Ltd.



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