

Interactive Meeting on “Production Linked Incentive Scheme for Technical Textiles Sector”

Indian Technical Textile Association (ITTA) organised an Interactive Meeting on "Production Linked Incentive" (PLI) Scheme mainly focusing on Technical Textiles Sector held on 26th October 2021 on Virtual Platform. Ernst & Young (E&Y) was the Knowledge Partner of the webinar. Webinar received the overwhelming response from the industry.

Shri. Amit Agarwal, Chairman, ITTA welcomed the Dignitaries from Ministry of Textiles, Representatives from E&Y, ITTA members & Stakeholders from the Technical Textile industry present in the interactive meeting. In his brief welcome address, he expressed his deep gratitude to Secretary (Textiles) and MOT Team for giving thrust to Technical Textiles (TT) in all the programmes, policies and schemes like PLI, PM-MITRA, NTTM, RoDTEP & RoSCTL. He emphasized that the PLI scheme will help India to regain its dominance in global Textile's trade, create global champions by leveraging scale & competitiveness backed by quality. And will also generate additional employment, encourage investments and additional production turnover in the coming 5 years and strengthen the vision of an Atmanirbhar Bharat. He thanked the Ministry for opening up export of Melt-Blown nonwoven fabric. However, he mentioned following major areas of concerns of TT industry on which quick actions are required to be taken by MOT - Enlisting all essential HSN Codes for TT products by allocating new HSN Codes which are falling under Others category, Hike in RoDTEP rates for TT products, Classifying certain TT items as Made-ups & Garments under the RoSCTL for enhancing export competitiveness and Expedite the sub-components under the NTTM i.e. the R&D and Innovation, Market Development and rolling out the EPC for focussed approach on export promotion of TT items.

Mr. Prashant Raizada, Associate Partner - Indirect Tax Services, Ernst & Young LLP (EY) made a presentation on Production Linked Incentive Scheme for Textiles Sector: Special focus on Technical Textiles. He highlighted the overview of technical textile industry wherein domestic demand of TT is expected to grow at CAGR 12% over the next years. He explained about the PLI Scheme for Technical Textiles, Products covered under the Scheme, Investment and Incremental Turnover Requirements, Incentives offered under the Scheme, Timelines for application under the Scheme, Sample examples of benefits available under the Scheme in different scenarios and Discussion on notification & draft operational guidelines, Pre-Qualification Criterion and Rating Criterion under the Scheme.

Mr. Nitin Goyal, Director - Indirect Tax Services, Ernst & Young LLP (EY) moderated the Interactive Session with the participants. Major points points/ views/ suggestions raised by the participants are as follow - Products falling under the high Potential Indutech sector should be included in the PLI scheme, For product standardisation not only BIS standards but also any international standards can be used, Evaluation rating marks for additional direct employment figures of a company should not be a major criterion in PLI, as number of employees are very less in modern TT industry, Incremental turnover of 25% should be rationalised, One can apply for any number of HSN code/ product lines under this scheme. Shri. Singh had answered all the queries of participants and asked the participants to submit their comments/ views/ suggestions to MOT with proper justification.

In reply to a question on status of new HSN codes, Shri Nihar Ranjan Dash, JS, Joint Secretary, Ministry of Textiles informed that the new list of HSN Codes has been developed by a committee having members from ITTA and its members under leadership of Office of the textile commissioner. Textile Ministry along with Ministry of Finance/DGFT are working on it and the list will be finalised soon.

In his concluding remarks, Shri. Upendra Prasad Singh, IAS, Secretary (Textiles), Ministry of Textiles had appreciated ITTA for taking initiative to organize this meeting focusing on Technical Textiles Sector. He acknowledged that ITTA has helped Ministry during the formulation of PLI & NTTM schemes. He hoped many potential investors will come forward from the Technical Textile sector to join the PLI. He highlighted that the draft guidelines have been circulated to stakeholders for getting suggestions from industry so that they acceptable suggestions can be considered in the guideline. Indian TT industry has all the key ingredients for setting high growth targets and achieving high production. TT Industry will grab this opportunity of PLI scheme and create global champions in this sunrise segment of the Textiles. He said that Ministry would be very happy to encourage the industry and clear their doubts if any so that they can freely come forward and invest in the PLI scheme and make it successful. Industry investment will ultimately strengthen the Indian Textiles and the Technical Textiles sector. He also said that ITTA can play a pivotal role in encouraging their members to participating in the scheme.

Shri. Vijoy Kumar Singh, IAS, Additional Secretary, Ministry of Textiles and Shri, Jay Karan Singh, Trade Advisor, Ministry of Textiles also addressed the participants. Both of them appreciated ITTA for organising today's Interactive Meeting on PLI Scheme mainly focusing

on Technical Textiles Sector. Feedback from the industry will help in finalising the PLI guideline.