SRTEPC WORLD

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The Synthetic and Rayon Textiles Export Promotion Council

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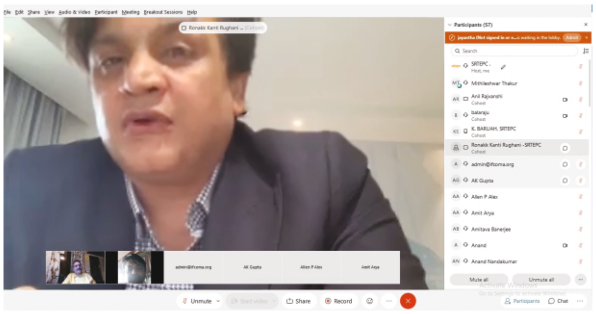
SRTEPC JOINTLY WITH FORUM FOR TRADE REMEDIES (FFTR) ORGANISED WEBINAR ON TRADE REMEDY ISSUES IN THE TEXTILE SECTOR.



There have been continuous evolutions globally in the areas of trade relationship, multilateral, regional and bilateral partnerships, etc. International trade has been showing signs of unusual and persistent evolutions in the last few years. In particular, the risk of increased policy uncertainty and possible implementation of inward-looking trade policies are among the major concerns for the recovery of international trade that would need to be addressed by the international community. Though the levels of tariff restrictions have substantially reduced, countries are being witnessed shifting towards Non-Tariff Measures. And to weather through such dynamics and changes, industry needs to keep abreast of the latest global developments in trade remedial measures.

Under this background, SRTEPC jointly with Forum for Trade Remedies (FFTR) has organised a Trade Remedy awareness Webinar on 5th March 2021 (Friday) covering topics such as tariff & non-tariff barriers including Antidumping, safeguards, BIS, and related issues in the Textile Sector. Forum for Trade Remedies (FFTR) is a Delhi based Pan India Association working for promotion of the Manufacturing sector in the Country providing policy level support needed in the area of, inter-alia, Trade Remedial Measures, FTP, TAs others.

Around 70 industry representatives attended the Webinar and participated during the deliberations. The webinar was addressed by senior Government officials and well-known legal experts on international law as panellists viz., Shri Mithileshwar Thakur, Additional Director General, Directorate General of Trade Remedies, Department of Commerce, Govt. of India, Shri. Anil Rajvanshi, former Chairman, SRTEPC, Shri M.K. Anand, Former Principal Advisor (Cost), DoC, Govt. of India, Shri AK Gupta, Founder and Managing Director, TPM Consultants, etc. SRTEPC Chairman Shri Ronak Rughani delivered the keynote address during the Webinar. Shri Mithileshwar Thakur, Additional Director General, Directorate General of Trade Remedies, Department of Commerce, Govt. of India, has spoken on Trade Remedies Measures on Indian perspectives pertaining to Indian Textile Sector.

Former Chairman, SRTEPC Shri Anil Rajvanshi was also one of the Panellists and spoke on the current challenges being faced by the Textile industry. Renowned legal experts on international law Shri AK Gupta delivered his speech on impact of trade remedies on Textiles Sector at large. Another important paper presentation was given on Non-tariff measures in Textiles Sectors by Shri Nihit Gupta, Joint Partner, TPM Consultants.

In his keynote address SRTEPC Chairman Shri Ronakk Rughani said that the WTO Members aspire for free trade. However, free trade is not always fair trade. Distortions in international trade through dumped exports, subsidized exports, etc. have been constantly happening.

He also informed that Trade remedies are trade policy tools that allow governments to take remedial action against imports which are causing material injury to a domestic industry. Such remedies are divided broadly into:

Anti-dumping action (sales at less than fair value); Countervailing duty measures (giving subsidies); and Safeguard action (for import surges).

There are three separate WTO agreements deal with these topics: the Agreement on Subsidies and Countervailing Measures (the Subsidies Agreement); the Agreement on Implementation of Article VI (the Antidumping Agreement); and the Agreement on Safeguards (the Safeguards Agreement).

Trade remedies are triggered in response to different situations and circumstances which may be causing material injury to a domestic industry.

Trade remedies are also to smoothen and encourage the Ease of Doing Business environment globally that results in enormous stress on world trade due to various deliberate trade disruptions.

Textile and clothing is one of the worst affected segments because of such deliberate trade distortions and disruptions in international trade arena. As regards to the Manmade fibre and blended textiles, our exports are currently facing Anti-dumping duties in Turkey on different types of Polyester yarns, in USA on PTY, in Peru we are facing Anti-dumping duty on Poly-Viscose Fabrics, etc. Shri Ronakk Rughani, Chairman SRTEPC informed.

Shri S. Balaraju, Executive Director SRTEPC proposed the Vote of thanks to the distinguished Panellists of the Webinar on Trade Remedy Issues and thanked them for taking out time out of their busy schedule to address in the Webinar organised by the Council and delivering the very informative and useful speeches. He also thanked the participants for actively participating during the webinar.

Considering the brand image of the Council, as decided by the management, INFO SRTEPC has been renamed to SRTEPC WORLD

Webinar on Production Linked Incentives (PLI) scheme organized by Department for Promotion of Industry and International Trade and NITI Aayog

Shri. Ronakk Rughani, Chairman and Shri. S. Balaraju, Executive Director attended a Webinar addressed by Hon'ble Prime Minister, Shri Narendra Modi on Production Linked Incentives (PLI) Scheme organized by Department for Promotion of Industry and International Trade and NITI Aayog through video conference.

Speaking on the steps taken to boost trade and industry in this year's Union Budget, the Prime Minister said that over the past 6-7 years, several successful efforts have been made to encourage Make in India at different levels. He stressed on the need to take a big leap, increase the speed and scale to boost manufacturing.

He emphasized the need to make Indian companies and manufacturing being done in India, globally competitive and also, to create global recognition for our production cost, products, quality and efficiency.

The Prime Minister said 13 sectors have been brought under Production Linked Incentives for the first time. PLI benefits the entire ecosystem associated with the sector.

India's export share at identified top 40 MMF apparel lines (0.77% (USD 1.08 billion)) and globally traded top 10 technical textiles lines (USD 82 bn) are included in proposed scheme where India's aggregate share is less than 1%.

The Prime Minister highlighted that in this year's budget, a provision of about 2 lakh crore rupees has been made for schemes related to the PLI scheme. An average of 5 % of production is given as incentive. This means that PLI schemes will lead to production worth $ 520 billion in India in the next five years.

The Prime Minister said the PLI Scheme would make a major impact to the country's MSMEs ecosystem by creating the anchor units in every sector that will need a new supplier base across the entire value chain. He urged the industry to join and take advantage of the PLI scheme. He said the focus of the industry should be on creating Best Quality Goods for the country and the world. He urged the industry to innovate according to the needs of the fast changing world, increase our participation in R&D, upgrading the manpower skills and use of new technology.

While participating in the discussion, Chairman requested Hon'ble Minister of Textiles to consider the following points:

1. Entire MMF textile value chain including Fibres, Yarn, Fabrics and Made-ups, to be covered under the proposed Focus Product Incentive Scheme (FPIS) as these segments are severely impacted during the COVID -19 pandemic.

2. Since y-o-y growth rate in textiles sector for last few years is around 5% only, the turnover threshold for eligibility of the companies to avail the benefits of FPIS Scheme should be around 10%.

MESSAGE
FROM THE CHAIRMAN

Dear Members,

I am pleased to inform that amid Covid situation, the Council had been making tremendous efforts to support its members in every possible way by organising Webinars and other promotional events. Saying this….

Hon'ble Prime Minister, Shri Narendra Modi addressed a webinar on Production Linked Incentives (PLI) Scheme organized by Department for Promotion of Industry and International Trade and NITI Aayog through video conference. I along with Shri. S. Balaraju, Executive Director attended the Webinar. While appreciating the timely Scheme launched by the Government, I requested the Government to consider including the entire MMF textile value chain and relax the threshold limit of turnover to 10% under the PLI Scheme. The discussion was carried out in depth, a report of which is furnished in this magazine.

An Interactive Meeting regarding Industry on issues concerning Technical Textiles and Man-Made Fibres was held in New Delhi under the Chairmanship of the Hon'ble Minister of Textiles, Smt. Smriti Zubin Irani. Shri. Dhirubhai Shah, Vice Chairman and Shri. S. Balaraju, Executive Director attended the Meeting and requested for the inclusion of the entire MMF textile value chain under the PLI Scheme.

Further, I would like to mention that the Council organized Webinar on Trade Remedy Issues in the Textile Sector jointly with Forum for Trade Remedies (FFTR). Topics such as tariff & non-tariff barriers including Antidumping, safeguards, BIS, and related issues in the Textile Sector were discussed in detailed during the Webinar. Around 70 Industry Representatives participated in the Webinar. I thank senior Government officials and well-known legal experts on international law as panellists viz., Shri Mithileshwar Thakur, Additional Director General, Directorate General of Trade Remedies, Department of Commerce, Govt. of India, Shri. Anil Rajvanshi, former Chairman, SRTEPC, Shri M.K. Anand, Former Principal Advisor (Cost), DoC, Govt. of India, Shri AK Gupta, Founder and Managing Director, TPM Consultants and others for speaking in depth on Trade Remedies Measures on Indian perspectives pertaining to Indian Textile Sector.

I am pleased to inform you that one of our member–exporters has received the long pending Duty Drawback claims from Air Cargo Complex (Sahar). In this regard, I appreciate the continual efforts undertaken by our Council's team and also, thank the Officials of Air Cargo Complex for doing the needful.

I would like to inform that there was a decline in exports including re-exports of Manmade Fibre Textiles by 21.73% during the period April'20 to February'21 compared to April'19 to February '20 and by 2.32% during February'21 as compared to February'20. However, it may be mentioned that the export trends are improving slowly as the negative growth of 49.7% during April-July 2020 and then to 44.68% during April-August 2020 and then 27.58% during April-January has come down to 25.32% during April-February 2020-21.

The Council as part of its export promotion programmes for the fiscal year 2020-2021, organized two virtual events during March – BSM in Africa/WANA and another DIFS, Bangladesh. BSM in Africa has just concluded, whereas DIFS, Bangladesh is ongoing. Though the current export scenario is not much encouraging still due to the ongoing second wave of pandemic, it is believed to get normalized in next few months. I would like to convey to our members to not to dishearten themselves due to the current crisis – as textile industry will boom up once it is normalized.

Considering the brand image of the Council, as decided by the management, INFO SRTEPC has been re-named to SRTEPC WORLD and this is the first edition of it. All Members are requested to kindly take note of it.

Yours sincerely,

RONAKK RUGHANI
CHAIRMAN

PRINTER, PUBLISHER & EDITOR : BALARAJU SAMPATHIRAO

EDITORIAL TEAM : BALARAJU SAMPATHIRAO
KRIPABAR BARUAH
NISHITH GORADIA
KALAVATHI RAO

EDITORIAL SUBSCRIPTION & ADVERTISEMENT OFFICE : The Synthetic & Rayon Textiles
Export Promotion Council
Resham Bhavan, 78 Veer Nariman Road,
Mumbai – 400 020
Phone : 22048797, 22048690, 22040168
Fax : 22048358
E-mail : srtepc@srtepc.in
Website : www.srtepc.in

REGIONAL OFFICES : SURAT
The Synthetic & Rayon Textiles
Export Promotion Council
Block NO. 4DE, 4th Flr., Resham Bhavan,
Lal Darwaja, Surat – 395 003
Phone : 0261-2423184
Fax : 0261-2421756
E-mail : surat@srtepc.in

NEW DELHI
The Synthetic & Rayon Textiles
Export Promotion Council
Surya Kiran Building, Flat No. 602
6th Floor, 19, Kasturba Gandhi Marg
New Delhi 110 001
Phone : 011-2373 3090/92
Fax : 011-23733091
E-mail : delhi@srtepc.in

COIMBATORE
The Synthetic & Rayon Textiles
Export Promotion Council
41 Race Course
Coimbatore – 641018, Tamil Nadu
Phone : 0422-4215333
E-mail : coimbatore@srtepc.in
Contact Person : Mr. N. Esakkimuthu
(Mobile 09790167113)

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Editor : BALARAJU SAMPATHIRAO

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Interactive Meeting with Industry on issues concerning Technical Textiles and Man-Made Fibres

Shri. Dhirubhai Shah, Vice Chairman and Shri. S. Balaraju, Executive Director of the Council attended an Interactive Meeting in New Delhi related to Industry on issues concerning Technical Textiles and Man-Made Fibres addressed by the Hon'ble Minister of Textiles.

While participating in the discussion, Vice Chairman requested Hon'ble Minister of Textiles to consider the following points:

1. Entire MMF textile value chain including Fibres, Yarn, Fabrics and Made-ups, to be covered under the proposed Focus Product Incentive Scheme (FPIS) as these segments are severely impacted during the COVID -19 pandemic.

2. Since y-o-y growth rate in textiles sector for last few years is around 5% only, the turnover threshold for eligibility of the companies to avail the benefits of FPIS Scheme should be around 10%.

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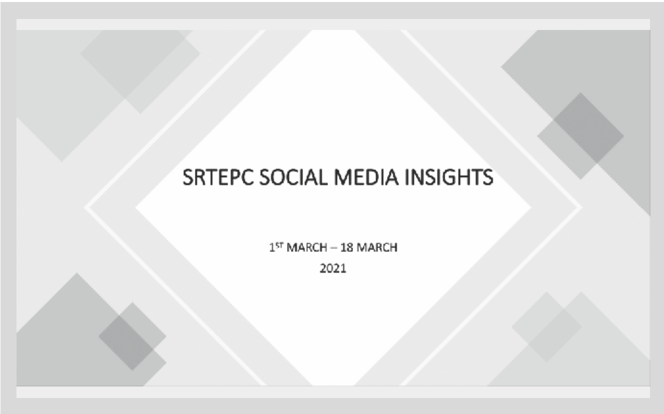
I, S. BALARAJU, hereby declare that the particulars given above are true to the best of my knowledge and belief.

20th March 2021

(MR. S. BALARAJU)
PUBLISHER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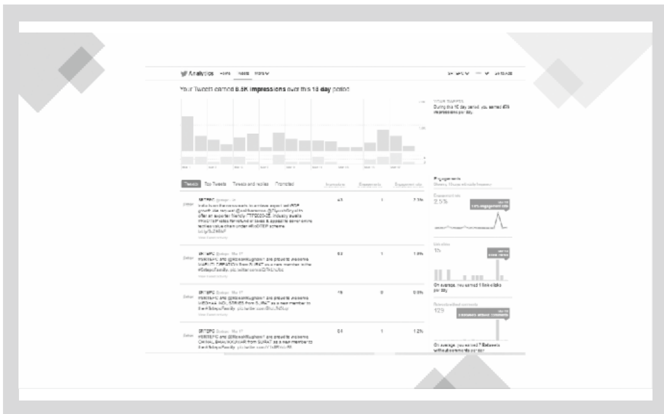


BANGLADESH

India, Bangladesh to sign CEPA over next 5 years: EIU

Bangladesh and India are likely to sign a **comprehensive economic partnership agreement (CEPA)** over the next five years that will preserve trade rights for the former once it graduates from the United Nations' **least developed country (LDC) status** in 2026, according to the Economist Intelligence Unit (EIU).

The CEPA will be wider than a traditional bilateral free trade agreement, addressing non-trade barriers, e-commerce, services investment and facilitation of cross-border trade, EIU said.

Prime Minister Narendra Modi is scheduled to visit Bangladesh on March 26—his first foreign visit in the last 15 months.

"Although no major agreements are expected to be signed, we view Mr Modi's visit as a significant show of the continuation of warm ties between the two neighbours, despite some tense undercurrents recently," EIU said.

Fibre2Fashion News Desk (DS)

FTA can raise Bangladesh's exports to India by 182%: World Bank

A **free trade agreement (FTA)** could increase Bangladesh's exports to India by 182 per cent and by 126 per cent the other way round, according to a new **World Bank** report, which said improving transport connectivity could take it even further by 297 per cent and 172 per cent respectively. The border could be made irrelevant from a trade perspective by removing barriers.

The World Bank's Dhaka and India offices recently jointly released the report titled 'Connecting to Thrive: Challenges and Opportunities of Transport Integration in eastern South Asia'. The high tariffs, para-tariffs and nontariff barriers were the major hurdles between the neighbours. The duo's average tariff was more than twice the world average. Complicated and non-transparent nontariff measures, which are policy measures other than tariffs that affect the free flow of goods and services across borders, add to the high trade costs.

As a result, **bilateral trade** currently accounts for only about 10 per cent of Bangladesh's trade and a mere 1 per cent of India's trade. Meanwhile in East Asian and Sub-Saharan African economies, intraregional trade accounts for 50 per cent and 22 per cent of total trade respectively. It is about 15-20 per cent less expensive for an Indian company to trade with a company in Brazil or Germany than with a company in Bangladesh, the report pointed out.

Economic activity in Bangladesh is concentrated in Dhaka and Chattogram while bordering and poorly connected districts lag behind. Night time light intensity per capita across the country highlights the concentration of economic activity around the capital. Traditionally, the districts between the western border with India and Jamuna river have lagged behind the eastern part of the country, largely because of their limited connectivity and hence, limited market access. Poverty in southwest Bangladesh is higher than in most eastern districts. Western districts are far away from the capital and the main seaport in Chattogram because of the Jamuna river, which is crossable via only a single bridge. These western districts' access to Indian markets is very limited because of the thick border with India, even though they are only a short distance from Kolkata. All districts in Bangladesh would benefit from integration, with the eastern districts enjoying larger gains in real income. Bangladeshi districts would see reductions in prices of goods and inputs from India and receive higher prices for their exports, becoming more competitive. The eastern districts would benefit the most because of their comparative advantage, which would lead the southeastern workers to migrate to the north and east, raising real wages by as much as 37 per cent.

On connecting local markets, the report said that regional trade and transport initiatives typically linked major centres and trade gateways. The initiatives are often designed around corridors that offer superior infrastructure, harmonised policies and procedures to facilitate trade and transport and supportive institutional mechanisms to coordinate among the many stakeholders.

Corridors are high-capacity systems that are most efficient when they facilitate the unimpeded movement of large volumes of traffic. In order to benefit the communities and centres in regions through which the corridors pass, it is important to create on and off ramps for rural communities and intermediate centres to access each corridor.

As doing so could compromise the efficiency of a corridor, there is a need for careful design of local access solutions. The report also stressed on the need for taking several measures to improve women's participation in export-oriented agricultural value chains. These measures need to be grounded in the realities of women's lives and the fact that gender norms change slowly. The most effective strategies are ones that are applied to value chain products and processes in nodes in which women are already participating. Removing blockages to adding value at these nodes and increasing women's control of income over benefits can have direct impacts on returns to female value chain participants and be used to incrementally facilitate behaviour and norm changes.

In designing these strategies, care should be exercised to ensure that there are no unintended consequences for women in terms of increased violence against them, the World Bank said in its report.

Fibre2Fashion News Desk (DS)

MYANMAR

Myanmar garment workers on road seeking global brands attention

The ongoing anti-military protest in Myanmar is spiced up by the employees of different categories of professions. Garment workers are not lagging behind the procession. They are playing a vital role against the nondemocratic government by immobilizing the factories and marching as road-hog with strong slogans. They are calling for global fashion brands to stand beside them.

The garment employees are mostly women and are led by women. These female leaders, emerging from different garment worker unions under the shade of the Federation of Garment Workers aim to collapse the military government by shaking its economic base which depends on the garment export of the country's total export in 31%.

Since the coup, garment worker unions are prominently participating in demonstrations. Most of them are facing deadly attacks during their strikes. They are threatened by the police and get arrested in some cases. Ma Moe Sandar Myint, the leader of one of Myanmar's largest garment worker unions, says she spends protesting in daylight and hiding at night, leaving her 3 children and family afar. This fighter is responsible for more than 20 marches.

H&M, Inditex, Primark and Bestseller opened up sourcing from Myanmar in recent years. According to the European Chamber of Commerce in Myanmar, garment product export worth $4.59 billion in 2018. Moe Sander Myint said, "Every Factory is in a different situation now, but all need international brands to step forward and tell factory owners to unequivocally respect workers' right to assemble and freedom of expression."

In response, H&M declared recently that it will pull up any further orders from its 45 suppliers in Myanmar. This is the first response from any international brand operating in the country. The country manager of H&M in Myanmar, Serkan Tanka expressed his deep concerns about the country's running situation and said that the unpredictability and difficulties to function here led them to decide to halt.

Textile Today

KENYA

Textile Industry in Kenya

The textiles and apparels sector has been identified as a priority sector by the Government of Kenya. As an industry with among the most labor-intensive manufacturing industries with geographically disperse production that rapidly adapts to market-driven changes, it plays a key role in anchoring the country's movement into middle income status. This is because of its potential as a source of gainful employment for its fast growing, young population.

Attributable to the government policy then that ensured backward integration of textile mills, historically, after independence, it was one of the leading manufacturing sectors in Kenya both by employment and size. The government assisted cooperative societies' buy ginneries, fixed producer prices, controlled marketing margins and invested heavily in textile mills. A protectionism measure through imposition of 100% duty on imported textile products was also in place resulting in an average production capacity of close to 70%.

However, in the late 1980's, with liberalization of the Kenyan economy, new government policies made it difficult for the country's textile industries to operate competitively on the international stage. These undermined the industry's competitiveness and growth prospects leading to a reduction in production by about 50%. There has also been an influx of second-hand clothing whose importation has been on a growth trajectory for decades now. CY 2020 saw 184,555.2 tonnes of the commodity valued at USD 177.70 million imported.

Currently, the sector, core in the governments Big 4 Agenda and a critical foreign exchange earner in the manufacturing industry is playing a key role in the fight against COVID-19. Kenya as at now is the largest exporter of apparels under AGOA with about USD 350 million worth of exports in 2017. With changes in the global apparels sourcing supply chain in the world, Kenya has been able to attract a substantial number of world buyers.

The sector recorded a 3.2% growth in CY 2019. Exports volumes were 1,916.1 tonnes of textile yarn (valued at USD 8.35 million) and 8285.7 tonnes of materials (valued at USD 21.92 million) respectively. Imports on the other hand saw 24,344.6 tonnes of textile fibres and their waste (valued at USD 65.85 million) and 21,828.1 tonnes of textile yarn (valued at USD 46.6 million).

However, it is still beset by numerous challenges including outdated technology and a lack of skilled labor. High equipment costs and low financial capabilities to expand for textile firms and raw material producers is also a major bottleneck. As such, much needs to be done including review of existing incentives. The governments' support needs to be tailored support to prioritize technological upgrading, workforce development and backward linkages.

Government institutions that support the growth of the textile industry need to be facilitated to ensure stronger university-industry linkages to meet the demands of the sector. Financial and technical support should also be provided for domestic manufacturers. Effective partnerships by both the Government and private sector in programs that seek to address key challenges in the industry need to be actively embraced so as to take advantage of global trends.

Source: HCI

ALGERIA

Textile And Leather Industry In Algeria

Algerian textile and leather companies, which still resist the multiple constraints linked to the effects of massive imports, hold less than 10% of the Algerian market, the textile and clothing subsidiary which is in second position after the Agri-food sector , with respect to its importance and strong local consumption and whose needs are in the order of 150 million items annually while the national sector covers only 4% of these needs, and the rest is invaded at 94% by import.

Following efforts by the state to revitalize these sectors, we note that the textile, knitwear and garment industries have climbed by nearly 12%.

The Textile sector is a promising strategic sector that has strong assets, which makes it possible to achieve a workforce of 2.41 billion USD Textile-Clothing export by 2022 according to the statistics and plans of actions proposed by industry experts....

Just like leather, hundreds of Algerian factories specialize in the production and processing of leather with a production capacity of 9 million square feet of bovine leather / year, which offers services for the outsourcing of bovine skins and goats at any stage of manufacturing and at unbeatable prices. These industries grew 4.2% in the first quarter of 2016 with an increase of 6.5%.

For the leather and footwear industry, Algeria intends to achieve a "strong partnership" under the 51-49% rule with foreign companies, especially Italian or Turkish companies, for the transfer of technology and expertise in this industrial branch, in order to be able to rebound in the domestic market, where the demand for quality products is strong. Focusing on training that will benefit 1.51 million dollars.

Algerian economic operators are looking for ways to revive its sectors which are rich niches and which can make big money for Algeria in terms of export and investment.

Source: EOI

USA

USA IMPORTS US $ 20.37 BILLION WORTH OF PPE IN 2020!

PPE imports of USA reached US $ 20.37 billion during 2020 with a staggering surge of 320 per cent on Y-o-Y basis, as per OTEXA.

Nonwoven disposable apparels contributed US $ 4.37 billion under HS Code 6210105000 and grew 448.70 per cent as compared to 2019 figures. This was the highest standalone value amongst total 23 HS Codes under which USA imported PPE products in 2020.

The import of face masks, clubbing 5 HS Codes 6307909845, 6307909850, 6307909870, 6307909875, 6307909891, valued US $ 8.56 billion in 2020. There was no historical data available for face masks to compare with!

Another huge import was done by the USA for plastic/rubber gloves (a combination of 7 HS Codes – 3926201010, 3926201020, 4015110110, 4015110150, 4015190510, 4015190550, 4015191010), which valued US $ 6.48 billion in 2020, marking 103.77 per cent yearly growth.

The massive rise in PPE imports is because of prevailing COVID-19 conditions in the USA as it's one of the worst impacted countries by pandemic.

Source: Apparel Online

USA

Mit Researchers Develop New Textile to Reduce Industry's Carbon Footprint

Researchers from the Massachusetts Institute of Technology believe that the new textile produced by them that can significantly reduce the carbon footprint of the fashion industry and global plastic waste. As per a report by the Chemistry World, produced from polyethylene, the textile has better cooling properties than cotton or linen, is more stain resistant than polyester, is easily recyclable and can potentially be made from recycled materials.

The textile industry has a huge carbon footprint and is responsible for 5–10 per cent of the world's greenhouse gas emissions. The industry once depended entirely on natural fibers such as cotton, linen and wool, but in the past century synthetic polymers such as polyester and nylon have become increasingly widespread.

Polyethylene, however, has been largely overlooked. Svetlana Boriskina, Materials Engineer,Massachusetts Institute of Technology says Polyethylene can be .used as protection against rain and in garments that prevents moisture from entering the body.

Moreover, the structural simplicity of polyethylene gives the textiles much higher infrared transparency than fabrics woven from more complex polymers, allowing for better radiative cooling.

Boroskina says, the textile industry is increasingly moving away from the traditional wet-dyeing process, which creates a real risk to the environment'. Instead, colorants are incorporated into molten materials before they are spun into fibers. The dye-resistance of the fibers even had the advantage of making their textile more stain-resistant than cotton, linen or polyester, allowing it to be washed more economically at lower temperatures.

The team is now working towards the commercialization of polymer – which could be produced from recycled polyethylene.

Textiles In The News

MOROCCO

Dependence on imported raw material problem for Morocco

Two major constraints being faced by the **Moroccan textile industry**_at present are over-reliance on traditional textile markets and dependence on imported raw material. As Europe struggles to control the pandemic, both Moroccan textile product exports and the supply chain of raw materials coming from the continent, have experienced disruption.

The pandemic has exacerbated the dire state of the textile industry in the country, exposing its vulnerability compared to competitors abroad, according to the Moroccan Association of the Textile and Clothing Industry (AMITH).

With challenges piling up as Morocco slowly moves to the post-pandemic, new normal, AMITH has drawn up a road map for developing the sector focusing on four main factors: adapting to the needs of customers, innovation and creativity, sustainability and the technical development in manufacturing.

"The sector must strengthen its level of adaptation to customer requirements, its anticipation capacities, as well as the quality of its logistics services," **AMITH directort general Fatima Zahra Alaoui** was quoted as telling representatives of domestic media outlets.

Such a shift will allow the textile industry to adapt to the global sourcing map in a post-pandemic world, she said. According to AMITH, many foreign contractors are turning to local suppliers. With countries and contractors visibly wishing to reduce their reliance on Asian countries, AMITH believes the post-pandemic reality could present a great opportunity for the textile industry in the country.

Domestic firms should integrate environment-friendly and transparent manufacturing initiatives, she suggested.

According to AMITH, four-fifths of textile companies are not planning any investment in the coming months.

Fibre2Fashion News Desk (DS)

EGYPT

Egypt's textile & apparel export likely to fall in 2021

Textile and apparel exports from Egypt are likely to see a decline this year as several manufacturers, especially in the cotton textiles industry, have reduced production. Further, almost 30 per cent of the nation's textile and apparel factories are shut down due to disruption in supply and value chain, and economic downfall, the government said recently.

Egypt is a well-known player in the textiles and apparel industry, especially in cotton textiles with higher staple lengths. Approximately 4,500 textiles and apparel industries are operating in the country. The textiles and apparel industry of Egypt has given employment to 1.3 million people. The textiles and apparel industry of the country contributes over 10 per cent to the total exports approximately.

The textiles and apparel exports of Egypt declined 29 per cent to $2,313.38 million in 2020 (2019: $3,259.71 million). The downfall might further continue with exports expected to drop 15 per cent to $1,966.37 million in 2021.

US, Turkey, Germany, Italy, and Spain were the top five export destinations in 2019, however UK entered in the list replacing Italy in 2020.

Egypt is a major exporter of apparels, home textiles and fabrics. The country also exports yarn and fibres in comparatively smaller amount. The dip in country's textiles and apparel exports has been observed from April 2020 to June 2020. It recovered in the following months but again declined in November 2020 and December 2020.

Source: **TexPro**
Fibre2Fashion News Desk (JL)

Contract signed in Egypt to establish 6 textile factories

Egypt's National General Contracting and Supplies Co., a subsidiary of the National Service Projects Organisation (NSPO), recently signed a contract with the Cotton & Textile Industries Holding Co. (CTIHC) under the ministry of public business sector to carry out the construction of Misr Spinning Weaving's factories in Kafr El-Dawwar. Minister of public enterprises Hisham Tawfik witnessed the signing ceremony.

The EGP 2.4-billion agreement includes building six textile factories for the spinning, weaving and knitting of fabrics over an area of 175,000 square metres, Tawfik said in a statement.

The targeted production is 50.7 million metres of fabric annually, up from the current 13 million metres, according to Egyptian media reports.

Fibre2Fashion News Desk (DS)

BRAZIL

High exports keep cotton prices on rise in February in Brazil

Cotton prices increased in the Brazilian market in February, boosted by international valuations and the fast exports pace. Between January 29 and February 26, the CEPEA/ESALQ Index for cotton rose by 10.7 per cent, closing at 5.0595 BRL per pound on February 26, the highest nominal level in the series of CEPEA for cotton, which began in July 1996.

Cotton prices were also pushed up during the month as large amount of the current season crop was already sold, along with uncertainties about the size of the new crop, and sellers leaving the market, according to the Sao Paulo-based Center for Advanced Studies on Applied Economics (CEPEA). Buyers, on the other hand, were concerned about passing on cotton valuations to its by-products and, thus, were trying to extend the term of payment.

Despite the record harvest in the 2019-20 season, high international demand is lowering cotton supply in the Brazilian market, making sellers more unwilling to lower asking prices. Up to the third week of February, according to data from the Secretariat of Foreign Trade (Secex), Brazil had exported 179,700 tons of cotton, 5.8 per cent up from the volume shipped in the same period last year and the highest amount exported in a month of February since 1996. Between August 2020 and February 2021, Brazil exported 1.56 million tons of cotton.

According to data released by the Brazilian Association of Cotton Producers (Abrapa) for 2020-21 crop, up to February 18, cotton sowing in the 2020-21 season had reached 96 per cent of the expected area in Brazil. In Bahia, the area sown was at 98 per cent; in Mato Grosso, at 95 per cent; in Minas Gerais, at 96 per cent; in Mato Grosso do Sul, at 99 per cent; and in Tocantins, at 98 per cent. In Goiás, Maranhão, Piauí, São Paulo and Paraná, sowing was over.

The area sown in the 2020-21 season may total 1.356 million hectares, 16 per cent lower than the previous season, the Abrapa data showed. The association has revised productivity estimate down by 1.5 per cent to 1,770 kg per hectare. Thus, cotton production is expected to decrease by 17 per cent compared to that in the 2019-20 season, to 2.402 million tons.

Fibre2Fashion News Desk (RKS)

SPAIN

Spain-bangladesh bilateral trade relationship and scopes

There exists no adverse relation between Spain and Bangladesh instead it is seen rare international and bilateral relation of these two countries and found scopes for engaging international trade for both of the countries. Thus, export-import trade relationship of both countries can be economically benefited.

Economy of Spain

Spanish economy is the 14th largest by nominal GDP and 16th largest by purchasing power parity in the world and the 5th largest in the European Union, 4th largest in the Eurozone, based on nominal GDP statistics.

Spain is a member of World Trade Organization (WTO) and Organization for Economic Co-operation and Development (OECD) that facilitates its international trade. From 2008 to the date Spain has been going through financial crises known as the Great Recession or the Great Spanish depression when the world also started facing financial crisis during 2007 to 2008.

The main cause of Spain's crisis was the collapse of an enormous housing bubble and the accompanying unsustainably high GDP growth rate. In these early times Spain had a huge trade deficit, a loss of competitiveness against its main trading partners, an above average inflation rate, house price increases, and a growing family indebtedness.

Economy of Bangladesh:

The economy of Bangladesh is a developing market economy. It's one of the most growing economy in the world in nominal terms, and 30th largest by purchasing power parity; it is classified among the Next Eleven emerging market a economies and a frontier market.

In the first quarter of 2019, Bangladesh's was the world's seventh fastest growing economy with a rate of 7.3% real GDP annual growth. Dhaka and Chittagong are the principal financial centers of the country, being home to the Dhaka Stock Exchange and the Chittagong Stock Exchange.

The financial sector of Bangladesh is the second largest in the Indian subcontinent. Bangladesh is one of the world's fastest growing economies. Bangladesh presently has Gross Domestic Product (GDP) of US$ 302.6 billion averaged a GDP growth rate of 8.523% which is very impressive to the market.

Scopes of Spain and Bangladesh in international market

Spain is a country capable of producing for a lot of electronic products. In Bangladesh, there are growing demand for some of the top listed goods like vehicles, machineries and more. If the surplus of these goods is exported, a huge foreign currency may be achieved and the country may be financially benefited to cope with the existing market recession.

On the other hand, there are some top listed exporting goods of Bangladesh including clothing, labor, leather, and more. Spain can get economic advantage to some extent from international trade with Bangladesh.

Spain can get solution for reducing existing recession to some extent and Bangladesh can find a feasible solution to achieve the vision 2021 of digital Bangladesh and 2041 of being a developed country in the world.

Present scenario of Spain Bangladesh trade relation and growth

Bangladesh government offered a special economic zone (SEZ) to Spanish investors on TICFA meeting held in Washington in 2015 as Bangladesh's trade with the European nations rising.

Bangladesh aimed to take annual exports to Spain to $2 billion by the year-end from $1.76 billion then, according to the minister, "We are offering an economic zone to Spanish investors, and they can choose any of the 30 zones that are being developed in parts of the country now."

Recently Export Promotion Bureau (EPB) data says that Bangladesh has gained $2.37 billion of profit with Spain bilateral trade. Garment business leader says that Spain is getting more interest day by day in Bangladesh because of the quality of the products.

Spain found Bangladesh for importing more profitable than china for value added and basic products. So, the Demand in Spain market of Bangladeshi products is increasing. 90% exported products of Bangladesh is manufactured garments. Last Economic year, Bangladesh exported $2.40 billion of garments.

Though the profit Bangladesh gained is not that much like others competitor countries' Profit as Spain has a vast market demand. The Business Leader admitted that Bangladesh could not reach profit like others competitor because they get trouble in product diversifications and weakness in branding and proper promotion.

How to reach pick in Spain market?

Spain is 16th largest importer in the world and 3rd largest in European Union (EU). So, the market demand of Spain is very high. Experts suggest that to become one of the top providers of the market demand, Bangladeshi Exporter garment Industries have to provide diversified and value-added products with greater quality.

Experts say that Bangladesh needs more promotional and branding activities and prove their products as a reliable source of market.

Bangladesh is a very important market for Spanish companies. Many of the companies made joint-venture with Bangladeshi companies and started business.

Angela Lalatta, Head of Business Unit Presso, AMEC (Asociación de las Empresas Industriales Internacionalizadas) see the Bangladesh market as huge with high volume, which makes it very important. You need to set up cooperation with a Bangladeshi company to make a joint venture. Not only a Spanish venture alone but they have to find the right partner. The companies who are looking to implement new innovation and technology this could be the right partner.

Source: Textile Today

Govt in process to get Cabinet nod for mega textile park scheme, Parliament told

The textiles ministry is in the process of obtaining approval of the Cabinet for the scheme of Mega Investment Textile Park. Under the scheme, seven Mega Textile Parks will be set up in the country over 3 years, Parliament was informed Thursday.

Textiles minister Smriti Zubin Irani also told Rajya Sabha that the proposal for closure of British India Corporation Ltd. (BICL) is in the advanced stage. The corporation has been incurring losses since its nationalization in the year 1981.

"Owing to continuance of losses, BICL was referred to the Board for Industrial & Financial Reconstruction (BIFR) in 1991 and was declared sick in 1992. The government approved revival schemes in November, 2001, 2005 and 2011 also failed," Irani said.

The Union Cabinet on Tuesday approved the closure of Handicraft and Handloom Export Corporation of India Limited on Tuesday.

The Corporation has been continuously incurring losses for a long time and there was little scope for its revival," Irani said, adding that in consonance with the government's vision of "Minimum Government and Maximum Governance", the government has abolished All India Handloom Board, All India Handicrafts Board, Cotton Advisory Board, All India Powerloom Board, and Jute Advisory Board.

Further, to enable more freedom and flexibility for industry members in functioning of Export Promotion Councils which are industry bodies, the textiles ministry has decided to withdraw its representatives from all textiles export promotion councils.

The Economic Times

Indian textile industry faces shortage of Viscose Staple Fibre, wants duties to be removed

The Indian textiles & clothing industry has established its dominant value added product market share both in domestic and international markets during the last several years especially in the recent past, more so in the superfine VSF and its blended textiles and clothing products. The industry has been pleading the Government to remove anti-dumping duty of USD 0.103 to 0. 512 per kg imposed on the VSF during the last several years, which is under active consideration. The Government is mulling the removal at the time of sunset review which is due in August 2021. In the meanwhile, the Union Budget 2021-22 imposed 5% basic customs duty and 5% AIDC on cotton (effective rate 11% including 10% social welfare surcharge). This has greatly impacted the supply chain of both domestic and international markets and also spiraled domestic Indian ELS, organic and contamination free cotton prices that are already under acute shortage.

Ashwin Chandran, Chairman, The Southern Indian Mills' Association (SIMA), urged for government for the removal of both anti-dumping duty on VSF and also the withdrawal of 10% import duty on cotton. He said that both the high value added market segments account around Rs.1,50,000 crores business size and employ over two million people, fetch GST revenue of Rs.5,000 crores and also forex earnings to the tune of Rs.75,000/- crores apart from catering to the value added segments. He said that VSF and superfine cotton value chain supplies to the international brands, who have set up retails in the domestic market and the price crisis is being utilized as an opportunity by the neighbouring countries like Bangladesh and therefore, imports started looming large. He has reiterated that out of 40 MMF products identified by the Ministry of Textiles under PLI Scheme, 18 products are made out of VSF and its blended fibres. He stated that the capacity utilization of the spinning and powerloom clusters in Erode alone has been affected to the tune of 30% and therefore, the industry cannot wait till the sunset review.

SIMA chief has stated that when the industry is facing acute shortage of VSF fibre, there is no question of dumping and causing injury to the domestic market. He has stated that India has been mainly relying on the American PIMA and Egyptian GIZA and other ELS cotton for the domestic and international markets apart from the home grown DCH cotton. He has stated that the industry has also been using Bunny cotton grown in Telangana and other regions for mixing with the imported cotton and produce fine count yarns and its products. Ashwin has said that the DCH cotton was costing around Rs.52,000/- per candy of 355 kgs during October 2020 and Rs.65,000/- in January 2021 and the same got increased to Rs.73,000/- after the levy of 10% duty. This has greatly impacted the entire value chain.

The Economic Times

India-UK Free Trade Agreement: Textile Ministry favours limited deal that could boost garments sector

Tariff cuts will result in level playing field with global competitors, says Industry.

The Textile Ministry has put its weight behind an early limited Free Trade Deal between India and the UK which, it says, must include tariff reduction for textile and clothing items, resulting in possible gains for the sector, officials have said.

"The textile industry is very keen that India should sign an early Free Trade Agreement (FTA) with the UK as it could benefit enormously from tariff cuts. The Textile Ministry has thus conveyed to the Commerce Ministry that a limited trade deal, including textiles and clothing, among other products, should be considered for an early conclusion.

UK PM's visit

While formal talks on a India-UK FTA have not yet started, there is a possibility for discussions to begin during UK Prime Minister

Boris Johnson's likely visit to India in the coming months, according to UK officials.

Commerce & Industry Minister Piyush Goyal had, last month, proposed to the UK Secretary of State for International Trade Elizabeth Truss that the two countries could initially work on an interim pact on a preferential basis based on which both sides would reduce or eliminate tariffs on select items. "No decision has been taken on how to go about the proposed India-UK FTA yet.

The UK is India's fourteenth largest trading partner accounting for $8.7 billion of exports and $6.7 billion of imports in 2020-21.

Touching potential

The Textile Ministry wants more market access for textiles and clothing under the proposed trade pact with the UK as the Indian industry has been complaining about not being able to perform to its full potential in the country because of tariff disadvantages.

As per figures collated by the Apparel Export Promotion Council (AEPC), total import of apparels in the UK in 2019 was $24.9 billion, of which India's share was just $1.4 billion while Bangladesh's share was at $3.6 billion.

In a letter to Prime Minister Narendra Modi dated December 21, 2020, the AEPC pointed out that the apparel export industry was facing severe competition in the UK due to duty disadvantages arising out of benefits under the Generalised System of Preferences (GSP) to 47 Least Developed Countries including Bangladesh. While the GSP scheme is for EU countries, the UK has indicated that it will continue despite exiting the EU.

Ahead of Brexit transition period on January, the Texprocil pointed out to the government that the UK had already signed trade agreements with 62 countriesand it was therefore imperative for India to start negotiations soon.

The Hindu Business Line

Birla Cellulose joins Global Partnership to drive circularity

- Birla Cellulose joins Circular Fashion Partnership
- Global fashion brands, garment manufactures, recyclers join hands to scale up circular fashion

Birla Cellulose, part of Aditya Birla Group is one of the largest global manmade cellulosic fibre (MMCF) producer, has joined the "Circular Fashion Partnership", a cross-sectorial project led by Global Fashion Agenda, Reverse Resources and BGMEA, to accelerate the transition to a circular fashion industry, by demonstrating a Circular Fashion Business Case in Bangladesh.
Birla Cellulose is excited to be part of this partnership and will work with well-known global fashion brands, manufacturers and recyclers to capture and upscale textile waste into LIVA Reviva – an innovative circular product offering.

Mr. Dilip Gaur, Business Director, Birla Cellulose, said: "Following circular economy principles is becoming mainstream and in line with UN SDG 12 & 17, Birla Cellulose will work closely with the various stakeholders in building sustainable businesses capable of consistently delivering best in class environmental performance, underpinned by responsible stewardship philosophy."

This partnership will help scale up the reverse logistics which Birla Cellulose has already established by closely working with Reverse Resources in last 2 years.

Birla Cellulose is a leading sustainability focused MMCF producer and operates 12 pulp and fibre sites globally that apply closed-loop processes. It leads the industry in sustainable sourcing practices and is ranked globally #1 in Canopy's Hot Button Report 2020 for sustainable forestry practices and development of 'Next Generation' solutions for alternative feedstock. Its blockchain based traceability tool GreenTrack™ is the most used tool to establish traceability of garments from forest to fashion.

Birla Cellulose's circular product LIVA Reviva – based on its proprietary technology – has caught the imagination of sustainability focussed brands and is growing rapidly. A cornerstone in LIVA Reviva development has been the efforts that Birla Cellulose has invested (and continues to invest) in developing a reverse logistics framework for sourcing cotton waste.

Birla Cellulose partnered with several manufacturers to evolve waste segregation protocols to ensure that the collected cotton waste conforms to standards required for viscose manufacturing. The manufacturers in turn gain access to a superior recycling option compared to the incumbent down-cycling recycling measures. Birla Cellulose helps through training potential reclaimers on identifying suitable blends, and using a systematic qualification process, has successfully on-boarded several recyclers.

The Textile Magazine

Yarn shortage in domestic market pushes up prices of hosiery, knitwear items

The shortage of yarn in the domestic market has resulted in the hiking of prices in the hosiery and knitwear industry. On Monday (March 15), all the associations of Tirupur garment industry are observed a voluntary closure for a day, where all the shops and production remained closed.

This is to show solidarity and give moral support for saving the industry against the abnormal price hike of the yarn.

"We have been facing this price hike issue since last year which resulted in an increase in our product prices ranging from 1-1.5% to 4%. We have written to the Finance Minister and Union Textile Minister to look into the steep rise in cotton yarn prices which is impacting most of the MSMEs," said Vinod Kumar Gupta, managing director, Dollar Industries Limited.

Gupta added "Many players are facing issues due to raw material shortage and might be forced to halt their operations if this continues. This Voluntary Closure is an effort to unanimously raise our voices in support of the whole industry on the abnormal price hike of the yarn which is putting pressure on not only businesses but also on the consumers", said Gupta.

The Economic Times

Attention GST Taxpayers
28 GST Year Ending Tasks for FY 2020-21 – You must do

The Financial Year in India begins on April 1 and ends on March 31. Hence, all important financial obligations are fulfilled by 31st March. It is very important for traders who follow the trading system to ascertain the transactions accrued up to 31st March and to properly record the same in the books of account. For professionals who are mainly following cash system of accounting i.e. recording of the transactions on the basis of actual receipts and payments, the financial year end time line of 31st March is equally important.

Every registered person under GST shall keep and maintain the following accounts and records for the following reasons –

To work out the tax you owe and / or can reclaim

To fill in your monthly / quarterly GST return

To be sure you are paying the right amount of GST at the right time

To provide documentary evidence of the transactions and comply with the law

The article given below is divided into the important tasks to be followed under GST –

[A] Compliances Tasks	[B] Input Tax Credits Tasks	[C] Reconciliations Tasks	[D] Law Related Tasks

[A] GST Compliances Related Tasks for FY 2020-21

1. Invoicing:

It is necessary for creating new/unique series of invoices from 1st April, 2021. Unique means there should not be any duplication/repetition. When the Invoice No. is entered while filing GSTR 1, the GSTN portal should not catch it up as repetitive for the same financial year. That means the invoice serial number should not repeat within the same financial year.

2. Electronic invoicing (E-Invoicing):

E-Invoicing is the exchange of the invoice document between a supplier and a buyer in an integrated electronic format. Under the electronic invoicing system, an identification number will be issued against every invoice by the Invoice Registration Portal (IRP) managed by the GST Network (GSTN).

The Govt. has ruled it mandatory for businesses having turnover above Rs.500 crores w.e.f. 1st October, 2020 and above Rs.100 crores w.e.f. 1st January 2020. Businesses with turnover above Rs. 50 crores may have to mandatorily issue E-invoices w.e.f. 1st April, 2021 (Such Proposal is under Consideration of Government). Businesses must check for their preparedness, finalise the accounting software and run the trial runs so that they are ready before 31st March.

3. Input Tax Credit (ITC) not available without E-Invoicing:

ITC is the tax paid by the buyer on purchase of goods or services. Such tax which is paid at the time of purchase when reduced from liability payable on outward supplies is known as Input Tax Credit.

ITC will not be available to the purchaser if E invoicing is not adopted in time. This shall create disputes between the purchaser and the seller, and can also lead to loss of business.

4. Quick Response (QR) Coding:

A **QR code** is a quick response **code**, which is mandatory on all e-invoices to provide simplified access to eligible **GST** invoices. It is a two-dimensional barcode in a machine-readable format. The government released a **QR code** verifying app which can be used to verify the authenticity of an e-invoice.

QR code on Business-to-Consumer (B2C) (URP–unregistered party) supply invoices by person above 500 crores turnover is required to be printed from 1st April, 2021. If the same is not complied with from 1st April, 2021, they will be liable for penalty on all B2C supply w.e.f. 1st December, 2020.

5. **HSN code requirements:**

As per Notification No. 78/2020, new HSN codes rules shall apply w.e.f. 1st April, 2021 as below:

- Up to 1.5 crores turnover – 4 digits
- 1.5 crores to 5 crores turnover – 4 digits
- Above 5 crores turnover – 6 digits

It is important for exporters exporting under 8 digits to adopt the accounting system for implementation of HSN code new system.

6. **Aggregate Turnover:**

It is the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, Union territory tax, integrated tax and cess.

What needs to be included while calculating aggregate turnover – Taxable supply, exempt supply, Nil Rated supply, Zero rated supply, Non GST supply and supply to distinct person.

There can be situations where GST aggregate turnover will be different from balance sheet turnover. Stock/ branch transfers/cross charges shall form part of GST turnover but on analysing balance sheet turnover, such would not form part of financials since the effect is turnover neutral.

The aggregate turnover is a determining factor for the following decisions:

a) Whether to file GSTR 1 in the year 2021-22 on Quarterly Return Monthly Payment (QRMP) Scheme?

b) Whether to mention HSN codes or how many digits to be mentioned; turnover up to 5 crores need to mention 4 digits, turnover above 5 crores need to mention 6 digits compulsorily. Total 8 digits are there in HSN/SAC codes?

c) Whether to opt for composition scheme dependent on turnover (turnover threshold being 1.5 cores, 75 lacs and 50 lacs for different businesses)?

7. **Debit or Credit Notes:**

In case of any discrepancies between the sales or purchase returns, it is necessary to raise Debit or Credit notes so as to keep the records for the purpose of Audit Dept.

8. **Reverse Charge Mechanisms (RCM):**

Usually, GST is paid by the supplier of goods and services upon supply. When it comes to Reverse Charge Mechanism, the receiver of goods and services has to pay the tax, which means that the tax liability is reversed.

For any inputs and tax paid on Reverse charge Mechanism, it should be supported by reverse charge Self Invoices. These invoices need to be generated for reverse charge paid & input taken on supplies received from unregistered suppliers. The invoice sequence & series to be maintained would form part of GST-1 filings. The tax authorities can also ask for the documentary evidence on the basis of ITC taken, and hence, the self invoices would come as handy.

9. **Updation in GST Reverse Charge (RC):**

Top 5 merchandise goods and/ or services needs to be updated on GST RC system to ensure / accommodate/ add any new line of business within the year. Similarly, any updation or amendment with respect to address or constitution of business need to match with the actual scenarios.

[B] ITC Related Tasks for FY 2020-21

10. ITC Reversal Second Proviso to Sec 16(2):

Where a recipient fails to pay to the supplier of goods or services or both (other than the supplies on which tax is payable on reverse charge basis), the amount towards the value of supply along with tax payable thereon within a period of 180 days from the date of issue of invoice by the supplier, an amount equal to the ITC availed by the recipient shall be added to his output tax liability, along with interest thereon, in such manner as may be prescribed – second proviso to section 16(2) of CGST Act. If partial payment is made, the reversal will be proportionate to the amount not paid to the supplier. If the recipient later makes payment to the supplier, he can take credit of input tax – third proviso to section 16(2) of CGST Act.

Reverse ITC on instances where the company has not paid to the Supplier within 180 days from the date of supplier's invoice. It is necessary to keep the Creditors reconciliation ready for the invoices above 180 days and take appropriate actions.

11. Restricted ITC as per Rule 36(4):

Ensure availing credit as per Rule 36(4) of CGST Rule 2017 though you might have received goods or services along with Invoice copy but 95% restricted credit depends on the number of Invoices uploaded in portal. Eg. Your 100% credit is eligible only when your supplier has uploaded the invoices to the extent of 95% in portal for the particular month. The rule was for 20% availment from 9th October, 2019 till 31st December 2019. From 1st January 2020 till 31st January 2020, the rule is of 10% availment. For the successive months from February to August, 2020, the cumulative impact of 10% rule need to be adjusted in GST 3B return of September, 2020 as part of COVID 19 relief measures.

Since the new return date is extended till Sep'2020, restricted credit is applicable till the coming of new return. The same has been revised to 5% availment of the eligible credit available in GST 2A w.e.f. 1st January, 2021. It is necessary to maintain monthly reconciliation between Purchase ledger and GST Portal so as to provide this information during audit or if query raised from Tax Dept.

12. Blocked Credit:

Section 17 (5) requires reversal of credit in the case of goods lost, stolen, destroyed, written off etc. The companies are likely to decide about the writing off any inventory, if any during the year end closing by March 31, 2021. In such cases, ITC attributable to such goods shall be reversed. Also, such blocked credit need to be identified and the ITC need to be reversed, if ITC wrongly taken with interest @ 24%.

13. Job work:

It must be ensured that inputs sent out for job work activity have been received back within one year from the date of being sent out and three years in case of capital goods sent for job work. If not received back, the same will be treated as supply for GST payments and would entail interest outgo of 24%.

Material delivered directly to Job work premises/ direct supply from Job work etc., needs to be looked into. Also, Job work material delivered directly to Customer, after process needs to be viewed into. Periodical reconciliation would help to ensure that the goods are received within the time lines or within the extended time period.

ITC-04 Return will be important one for the year 2020-21 towards job work transactions and the same needs to be seen whether the goods sent for job work on 1st April 2020 need to be received back by 31st March 2021. (Although, there was lockdown in April 2020 and the dates got extended, hence the material sent on job work basis even before 1st April 2020 needs to be checked from the Job work register to ensure its smooth receipt back in the factory premises).

[C] GST Reconciliations Related Tasks for FY 2020-21

14. Reconciliation of GSTR 1 with GSTR 3B:

Outward supplies as per GSTR 3B need to be reconciled with GSTR 1. In case if 3B turnover is less, identify it & immediately pay tax with interest @18%. If 3B turnover is more, identify it with the sale bills/ invoices and if extra tax is paid, the same is to be noted for future adjustments.

15. **Reconciliation of GSTR 3B with the ITC on purchases:**

    If ITC taken in 3B is more than the actual purchase invoices, the same needs to be reversed and paid back with interest @24%. If ITC in 3B is less than the eligible purchase invoices, the same needs to be claimed immediately.

16. **GSTR 3B/GSTR 1 entries VS Accounting entries:**

    In cases when the accounts team makes the corrections of the above reconciliations in GST returns but the same is not reflected in the accounting entries. The book entry needs to be done simultaneously with the GST corrections so as to present a fair picture.

17. **Reconciliation of E-Way Bills with GSTR 1 and further with GSTR 3B:**

    There can be instances where EWBs sales are more than GSTR 1 sales. This needs to be checked with sale invoices and tax needs to be paid, if required. Similarly, if EWB sales are less than GSTR 1 sales, it needs to be reconciled. If there is no requirement of E-way bill generation and the sale bills have been issued then the above procedure needs to be done first to reconcile the books with GST returns. It would be useful while conducting Financial and GST audits & annual return. The same would be a ready substantive evidence in case the notices come from the authorities for mismatch in EWB vs GSTR 1 or 3B sales. The corrective actions can be taken promptly.

18. **Reconciliation of GSTR 1/ 3B Sales with balance sheet sales:**

    This is an important step assuming if the above steps have been completed and would come handy for Income Tax, GST audits and annual returns.

19. **Reconciliation of ITC ledgers:**

    It is advisable to reconcile GSTR-1 & 3B, cash ledger and credit ledger as per GSTN portal with the books of accounts. Tax wise Credit & Cash Ledger needs to be matched with the respective ledgers as per books of accounts.

20. **Record of GSTR 2A with the purchase invoices:**

    Companies must download all GSTR 2A for F.Y. 2020-21 and record all the GST inputs excluding the ineligible ITC claims. If any of the input is not mentioned in GSTR 2A, then the accounts team is required to follow up with the vendors and inform the management so it can be rectified immediately.

21. **B2B & B2C Reconciliations:**

    B2B & B2C sales need to be reconciled with GSTR 3B/ 1 with the books of accounts. This needs to be done for a fairer picture, and to avoid an event in future where, B2B sales is wrongly shown as B2C sales, and the receiver is unable to get the credit as per his GSTR 2A and asking for the tax & interest liability thereon.

[D] GST Law Related Year ending Task for FY 2020-21

22. **Expense Provisioning:**

    Expense provisions with respect to import / domestic services with associated entities would have possible GST implications under reverse charge mechanism (RCM). The accounting entries need to be analyzed in detail with supporting workings. If the provision is being made, RCM tax needs to be paid as per the provisions.

23. **Cross-check for income on which Zero or partial GST is paid:**

    If GST on income is not paid or paid at lower rates, do take corrective action. For export supplies, make sure you have proper LUT for the concerned financial year.

24. **Letter of Undertaking:**

    LUT needs to be in place for the coming F.Y. 2021-22 before 1st April, 2021 so that exports do not get stuck at the last moment.

25. **Books Stock vs Physical Stock:**

    Physical stock needs to be reconciled with the stock as per books of accounts. This would be handy in both income tax and GST audit. In case of any discrepancies, the possibility of ITC reversal should be taken into account.

26. **GST on advanced payments:**

    One must make sure that GST has been paid on advances received from customers as on 31.03.2021.

27. **Refund for FY 2018-19:**

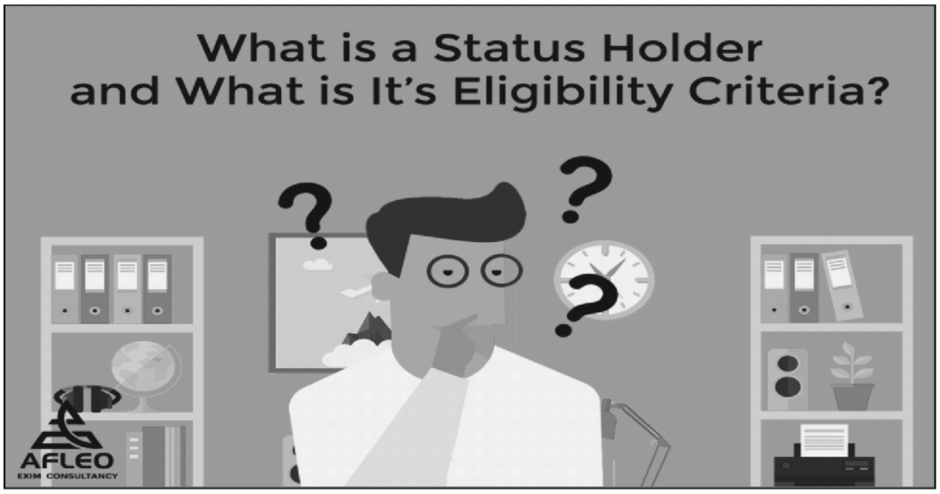
    Last date to apply for GST refund related to FY 2018-19 is 31.03.2021. It is necessary to make the compliances on time, if applicable.

28. **Cross Charges:**

    Cross charges are supplies made by the Head office to branch offices or vice versa. The same supplies need to be identified and the provision needs to be done and the respective invoice needs to be raised for common services. The tax effect would be neutral, since for one distinct person it is an output liability and for the other, it is an input tax. Authority for Advance Ruling (AAR) in a case pertaining to Columbia Asia Hospitals, had said such activities would qualify as a service provided by head office to other locations and hence companies are required to be cross charged and levy GST on the same.

It's always great to keep this checklist handy during the financial year end activities. A good accounting system can help you prepare better for the coming financial year so that you can avoid last minute stress.

STATUS HOLDER CERTIFICATE



Q1. Who is a Status Holder? How can I become a Status Holder?

- Status Holders are business leaders who have excelled in international trade and have successfully contributed to country's foreign trade.
- They contribute towards India's exports; provide guidance and handholding to new entrepreneurs.
- You may become a Status Holder by applying for a Status Holder Certificate. If your application for the requested Status House is approved, you shall be issued a Status Holder Certificate.

Q2. Who is eligible for Status Holder Certificate?

- All exporters of goods, services & technology having an IEC Number shall be eligible for recognition as a status holder.
- Status recognition will depend on export performance.
- An applicant shall be categorized as status holder on achieving export performance during the current and previous three financial years.
- For granting status, export performance is necessary of at least two out of four years.

Q3. What is the benefit one can receive by being a Status Holder? / What are the privileges of a Status Holder?

- A Status Holder shall be eligible for privileges as specified by the Foreign Trade Policy.

Q4. What are the prerequisites for applying for Status Holder Certificate?

- Following is required to avail benefits under a Status holder certificate:
  - ✓ Your user profile must be linked with an IEC.
  - ✓ A valid Digital Signature Certificate (DSC) must be registered in the system & the same can be verified on **My Dashboard >>> View** & **Register Digital Signature Token**.
  - ✓ Export/Import/Turnover details of the firm must be entered & updated in the IEC profile.

Q5. If my IEC is in DEL/cancelled/suspended, am I eligible to apply for the Status Holder Certificate?

- If your IEC is in DEL, you shall be allowed to proceed with submission of your request for issuance of a Status Holder certificate, however, your application shall only be actioned upon once your IEC is removed from DEL.

- If your IEC is cancelled/suspended, you shall not be allowed to proceed with submission of your request for the issuance of a Status holder certificate.

Q6. What Status holder category should I apply for?

- An exporter shall be granted status holder category as per the below:

S. No.	Status Category	Export Performance FOB / FOR (as converted) Value (in US $ million)
1	One Star Export House	3
2	Two Star Export House	25
3	Three Star Export House	100
4	Four Star Export House	500
5	Five Star Export House	2000

Q7. What is double weightage? / How can I get double weightage for my exports?

- Exports may be counted twice for firms with the below conditions:
  1) Exports by IEC holders under the following categories shall be granted double weightage for calculation of export performance for grant of status:
     a) Micro, Small & Medium Enterprises (MSME) as defined in Micro, Small & Medium Enterprises Development (MSMED) Act 2006.
     b) Manufacturing units having ISO/BIS.
     c) Units located in North Eastern States including Sikkim and Jammu & Kashmir.
     d) Units located in Agri Export Zones.
  2) Double Weightage shall be available for grant of One Star Export House Status category only.
  3) A shipment can get double weightage only once in any one of above categories.

Q8. Can exports of one IEC be used by another IEC for the issuance of the Status Holder Certificate? / Is export performance based on disclaimer permitted for issuance of Status Holder certificate?

- Export performance of one IEC holder shall not be permitted to be transferred to another IEC holder. Hence, calculation of exports performance based on disclaimer shall not be allowed.

Q9. Will re-exports be counted for recognition of Status Holder?

- Exports made on re-export basis shall not be counted for recognition.

Q10. Will exports of items under an authorisation or exports of SCOMET items be counted for recognition of Status Holder?

- Yes. Export of items under Authorisation, including SCOMET items, would be included for calculation of export performance.

Q11. I couldn't complete my application; however, I had saved it after filing it partially. Where can I find it? / Where can I find my partially filled application?

- Please follow the below path to access your draft applications for Status Holder Certificate
  - ✓ My Dashboard >>> Draft Applications >>> Click on Action (Under the Results) >>> **Open**

Q12. What is an application number? Where can I find it?

- When an application is created & saved for the first time, an application number gets created.
- All draft applications have an application number & the same can be found by following the given path: **My Dashboard >>> Draft applications.**

Q13. What is a file number? Where can I view my submitted applications/File number?

- When an application is submitted, a file number is generated. The application is tracked via this file number.
- Please follow the below path to get the file number for Status Holder Certificate:
  - ✓ My Dashboard >>> Submitted Applications
  - ✓ Enter **Type of Scheme** (Select in dropdown: Certificate Management) **& Type of Sub Scheme** (Status Holder Certificate)
  - ✓ Click on **Search** (All details of submitted applications are available in the search results & these details also include the file number).

Q14. How can I request for withdrawal of my submitted application?

- Please follow the below path to withdraw a submitted application:
  - ✓ My Dashboard >>> Submitted Applications
  - ✓ Enter **Type of Scheme** (Select in dropdown: Certificate Management) **& Type of Sub Scheme** (Status Holder Certificate)
  - ✓ Click on **Search**
  - ✓ Click on **Action** (Under the Results) **>>> Withdraw**

Q15. Where can I view & download my approved Status Holder Certificate?

- Please follow the below path to get the approved Status Holder Certificate:
  - ✓ My Dashboard >>> Submitted Applications
  - ✓ Enter **Type of Scheme** (Select in dropdown: Certificate Management) **& Type of Sub Scheme** (Status Holder Certificate)
  - ✓ Click on **Search**
  - ✓ Click on **Action** (Under the Results) >>> **View Approved Licenses** >>> **View Letter**

Q16. What is view lifecycle? Where can I see it?

- Please follow the below path to view lifecycle of a submitted file for Status Holder Certificate:
  - ✓ My Dashboard >>> Submitted Applications.
  - ✓ Enter **Type of Scheme** (Select in dropdown: Certificate Management) and **Type of Sub Scheme** (Status Holder Certificate)
  - ✓ Click on **Search**
  - ✓ Click on **Action** (Under the Results) >>> **View Life Cycle.**

Q17. Where can I see the DSC/e-Sign details of the submitted applications?

- Please follow the below path to view the DSC/e-Sign details of a submitted file for EPCG:
  - ✓ My Dashboard >>> Submitted Applications.
  - ✓ Enter **Type of Scheme** (Select in dropdown: Certificate Management) & **Type of Sub Scheme** (Status Holder Certificate)
  - ✓ Click on **Search**
  - ✓ Click on **Action** (Under the Results) >>> **DSC/e-Sign Details.**

Q18. Where can I check the status of my submitted application?

- Please follow the below steps to check the status of a submitted application for Status Holder Certificate:
  - ✓ My Dashboard >>> Submitted Applications
  - ✓ Enter **Type of Scheme** (Select in dropdown: Certificate Management) & **Type of Sub Scheme** (Status Holder Certificate)
  - ✓ Click on **Search**
  - ✓ In the search results, please find the status of the submitted application under the column **File Status.**

Q19. What to do if my application is marked as deficient?

- If the File Status of your submitted application is marked as deficient, please follow the given steps to respond to the deficiency raised by the officer:
  - ✓ My Dashboard >>> Submitted Applications
  - ✓ Enter **Type of Scheme** (Select in dropdown: Certificate Management) & **Type of Sub Scheme** (Status Holder Certificate)
  - ✓ Click on **Search**
  - ✓ Click on **Action** (Under the Results) >>> **Respond Deficiency**
  - ✓ Click on **View** under the **Deficiency view** to view the deficiency letter issued by the officer.
  - ✓ To respond to deficiency, click on **Respond** under the **Respond to Deficiency.**
  - ✓ A pop-up shall appear asking you - **Do you want to amend application?**, in case you have to add attachments only, please click on **NO** whereas, to make changes to your application, please click on **YES**.
  - ✓ On submission of your response, the **life cycle view** of the application is updated for your reference and the file is submitted to the RA officer who issued the deficiency letter.

Q20. Where can I confirm the submission of my response to a deficiency against my submitted application?

- Post submission of your response to the deficiency, a pop-up appears confirming your submission. Also, the same gets updated in the life cycle view.

Q21. Where can I check the status of CBIC transmission? / How do I know if my authorisation details have been sent to CBIC?

- Details of Status Holder Certificate once issued, shall not be automatically transmitted to CBIC.
- You are requested to get the same updated at CBIC with the necessary documents.

Q22. How can I take a print of the application or download it for future reference?

- Each form has a section of application summary that shows values for all fields filed in the application.
- This section of application summary has a button for **"Print Application"** enabled on the top right corner of the section.
- Click on the button to download the application for your future reference.

Q23. Where can we apply for Status Holder Certificate?

- Please follow the given path to apply for issuance of a Status Holder Certificate:
  Services >>> Certificate Management >>> Apply Certificate
- Click on Status Holder Certificate.

Q24. What do I need to select for field of Sector of Export? / Can I select multiple Sectors of Export?

- Select the category of items of export made against which you are applying for the issuance of the Status Holder Certificate.
- You may choose to select multiple sectors of export based on the exports made.

Q25. What to do if I am unable to edit my values for exports?

- The values of export is auto-populated based on the turnover details as updated in the IEC Profile.
- Hence, it is important to update your IEC Profile before applying for issuance of the Status Holder Certificate.

Q26. Why do I get an error message "Please Update data in Manage IEC profile for Export/Import/ Turnover Details for the selected year and preceding two years"?

- You get this error message, if your turnover details are not updated in the IEC Profile for the selected financial year.
- You need to update your turnover details in the IEC Profile to proceed further for the application of issuance of the Status Holder certificate.

Q27. What is the application fee?

- There is no application fee for the issuance of a Status Holder Certificate.

Q28. How long is the Status Holder Certificate valid for?

- A Status Holder Certificate is valid for a period of 5 years from the date of issuance of the Status Holder Certificate or until the validity of the Foreign Trade Policy, whichever is earlier.

Q29. Can I get the validity of my Status Holder Certificate extended?

- No. The validity of the Status holder certificate cannot be extended. However, you may choose to file for issuance of a fresh Status Holder Certificate instead.

Q30. Which all attachments/documents are mandatory for submission of the application?

- Following are the list of documents/attachments that are mandatory to apply for the issuance of a Status Holder Certificate:
  - ✓ Certificate of Exports where Double Weightage has been claimed (Applicable only if the application is for One Star Export House) in Format A.
  - ✓ Certificate of Foreign Exchange Earned by Supply of Service in Format B.
  - ✓ Certificate of FOR value of Deemed Exports in Format C.
  - ✓ Exports from SEZs / EOUs / EHTPs / STPs / BTPs units which are included in IEC & is taken for calculation of grant of status in Format D.
  - ✓ Annexure to ANF 3C.

Q31. On declaration page of an application form, I am unable to proceed further, or system is not allowing me to click on “Save and Next”.

- If user profile is not updated, please update the details of your logged in user profile before submitting the application by clicking on your Username > > > Profile in the top right corner of website.

Q32. Can I make an amendment to my issued Status Holder Certificate?

- No modifications/amendments are permitted as per the current implementation.
- For any modifications, please raise a fresh application for the issuance of a fresh Status Holder Certificate.

Source:
https://tinyurl.com/nvwpwdzv

MINISTRY OF COMMERCE & INDUSTRY

DGFT

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	Public Notice No.40/2015-20	25.02.2021	Amendment in Appendix 1B, HBP 2015-20	Town of Noida in Uttar Pradesh has been notified as a Town of Excellence for Apparel products	https://tinyurl.com/tb5szms2
2)	Trade Notice No. 45/2020-21	02.03.2021	Procedure & Criteria for submission & approval of applications for export of Diagnostic Kits & their components/laboratory reagents	DGFT has notified procedure & criteria for submission and approval of applications for export of Diagnostic Kits and their components/ laboratory reagents.	https://tinyurl.com/8m2uj5wc
3)	Trade Notice No. 44/2020-21	01.03.2021	Online Module for Adjudication, Appeal, Review proceedings under Foreign Trade (Development & Regulation) Act, 1992, (the Act) as amended & Foreign Trade (Regulation) Rules, 1993, (the Rules) as amended	An online module for Adjudication, Appeal, Review proceedings under Foreign Trade (Development & Regulation) Act, 1992, (the Act) as amended & Foreign Trade (Regulation) Rules, 1993, (the Rules) as amended has been implemented w.e.f. 27.02.2021.	https://tinyurl.com/ysbw748r
4)	Trade Notice No. 43/2020-21	23.02.2021	Electronic filing & issuance of Preferential CoO for India's exports under India-Mercosur PTA & India-Thailand EHS w.e.f. 25.02.2021	Preferential CoO for exports to countries under India-Mercosur PTA and India-Thailand Early Harvest Scheme shall be applied & issued from CoO e-platform w.e.f. 25.02.2021.	https://tinyurl.com/bz3jespm

MINISTRY OF FINANCE

CBIC - CUSTOMS

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	Notification No. 27/2021-Cus. (N.T.)	05.03.2021	Notification in relation to Land Customs Stations & routes "the river route as per the Protocol on Inland Water Transit & Trade between India and Bangladesh connecting Tribeni (Bandel) in India to Bangladesh"	CBIC has amended Notification No. 63/1994-Customs (N.T.) dated 21.11.1994 and notified the river route of 'Hoogly' for Trade between India & Bangladesh.	https://tinyurl.com/bakkj42d
2)	Notification No. 26/2021-Cus.(N.T.)	04.03.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 05.03.2021.	https://tinyurl.com/3aajr98d
3)	Circular No. 7/2021-Customs	22.02.2021	Clarification on payment of AIDC by EOU under various situations and amendment to Circular no. 35/2016-Customs dated 29.07.2020	CBIC has clarified about payment of Agriculture Infrastructure and Development Cess by EOU under various situations and amendment to Circular no. 35/2016-Customs dated 29.07.2020.	https://tinyurl.com/2ykz5ws7
4)	Circular No. 6/2021- Customs	22.02.2021	Policy & guidelines for setting up of Inland Container Depots, Container Freight Stations & Air Freight Stations	CBIC has issued policies and guidelines for setting up of Inland Container Depots (ICDs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs).	https://tinyurl.com/3nar8jhj

MUMBAI CUSTOMS

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	Public Notice No. 116/2021	04.03.2021	Clarification on time limit for filing Brand Rate Application complete in all respect for fixation of brand Rate of drawback under Rule 6 & 7 of Customs & Central Excise Duties Drawback Rules 2017	Brand Rate applications should be filed with all the necessary documents & declarations which are necessary for processing the applications.	https://tinyurl.com/vavmx2ns

JAWAHARLAL NEHRU CUSTOM HOUSE

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	Public Notice No. 21/2021	09.03.2021	Change of IFSC and Account due to Bank Merger	Stakeholders are directed to identify their bank accounts which are under process of merger/already merged & update their new IFSC codes along with A/c No. through online Bank management/AD code registration facility provided on ICEGATE website using 'modify option'.	https://tinyurl.com/mby39hhd
2)	Public Notice No. 18/2021	27.02.2021	IGST refunds on exports-SB005 Error Rectification alternate mechanism	Exporters are advised to check JNCH website for the list of IECs & S/Bills where invoice mismatch exists is being made available.	https://tinyurl.com/2pzn3t6e
3)	Public Notice No. 17/2021	27.02.2021	Extension of Board's Circular No.12/2018-Cus. dtd. 29.05.2018 for sanction of pending IGST refund claims where records have not been transmitted to Icegate due to GSTR-I & GSTR- 3B mismatch error	In case of any difficulty, members may contact the Deputy Commissioner of JNCH (Drawback) at drawback.jnch@gov.in / 022-27244792.	https://tinyurl.com/yndd2z5n

SAHAR AIR CARGO CUSTOMS

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	Public Notice No. 146/2021	11.03.2021	Receipt of eBRC for the exports made during the period of 01.04.2014 to 31.03.2020, as per RBI BRC Module	Exporters need to follow up with their AD Banks for updating export proceeds realization details in the respective bank's EDPMS system so that the data is transferred to Customs EDI i.e. ICES for reconciliation.	https://tinyurl.com/af7ufz6r
2)	Public Notice No. 12/2021	09.03.2021	Instructions for uploading documents in E-sanchit for approval of AD Code/IFSC with Bank A/c in ICES - Amendment of PN.105/2020 dtd. 5.8.2020	For timely approval of changes in the account details, Customs has further made modifications in the SOP given in the Public Notice No. 12/2021.	https://tinyurl.com/b9rksupc
3)	Public Notice No. 11/2021	24.02.2021	Clarification on payment of AIDC by EOU under various situations and amendment to Circular No. 35/2016-Cus. dtd. 29.7.2020	ACC has clarified about payment of Agriculture Infrastructure & Development Cess by EOU under various situations & amendment to Circular No. 35/2016-Cus. dtd. 29.7.2020.	https://tinyurl.com/aaxe824t

DIRECTORATE GENERAL OF TRADE REMEDIES

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	F.No.7/3/2021-DGTR	05.03.2021	Corrigendum to initiation notification issued in Sunset review anti-dumping investigation concerning imports of Viscose Staple Fibre originating in or exported from China PR & Indonesia	"Products under consideration" or 'subject goods' described in Para 1 & 6 of Notif.No.7/03/2021-DGTR dated 22.02.2021 is further corrected.	https://tinyurl.com/nn32c9j5

OFFICE OF THE TEXTILE COMMISSIONER

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	-	-	Minutes of 21st meeting of TAMC for issues relating to ATUFS & Previous Versions of TUFS	Minutes of 21st meeting of TAMC held on 29.7.2020 to discuss the issues relating to ATUFS & Previous Versions of TUFS is given.	https://tinyurl.com/4hrvrrpr
2)	-	-	Minutes of 20th meeting of TAMC under ATUFS	Minutes of 20th meeting of TAMC held on 23.2.2021 under ATUFS is given.	https://tinyurl.com/45ftpdz4
3)	-	-	List of cases under ATUFS sanctioned by the Competent Authority for release of subsidy, however pending due to different issues	List of cases under ATUFS sanctioned by the Competent Authority for release of subsidy, however pending due to different issues as on 4.3.2021 is given.	https://tinyurl.com/yw65zkuw
4)	-	-	List of MSME Spinning Mills as per Annual Statistical Returns Submitted in the Textile Statistical Returns System portal of O/o TXC by the textile units as on 22.02.2021	List of MSME Spinning Mills as per the ASR submitted in the TSRS portal of O/o Textile Commissioner by the textile units is given.	https://tinyurl.com/5ajkvyt2

GST RELATED NOTIFICATIONS / CIRCULARS

CENTRAL TAX NOTIFICATIONS

https://www.cbic.gov.in/htdocs-cbec/gst/central-tax-notfns-2017

Circular/ Order No. & Date	Subject
05/2021-Central Tax dated 08.03.2021	Seeks to implement e-invoicing for the taxpayers having aggregate turnover exceeding Rs. 50 Cr from 01st April 2021.
04/2021-Central Tax dated 28.02.2021	Seeks to extend the time limit for furnishing of the annual return specified under section 44 of CGST Act, 2017 for the financial year 2019-20 till 31.03.2021.
03/2021-Central Tax dated 23.02.2021	Seeks to notify persons to whom provisions of sub-section (6B) or sub-section (6C) of section 25 of CGST Act will not apply.

CIRCULARS / ORDERS

(https://www.cbic.gov.in/htdocs-cbec/gst/index)

Circular/ Order No. & Date	Subject
Circular No. 147/02/2021-GST dated 12-03-2021	Seeks to clarify certain refund related issues
Circular No. 146/02/2021-GST dated 23-02-2021	Clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices and compliance of notification 14/2020- Central Tax dated 21st March, 2020 - Reg.

PRESS RELEASES

Name of Ministry	Date	Subject
Ministry of Commerce & Industry	12.03.2021	Government working on Atmanirbhar Niveshak Mitra portal to digitally facilitate investors
Ministry of Commerce & Industry	10.03.2021	Make in India and Startup India
Ministry of Commerce & Industry	10.03.2021	Production Linked Incentive Scheme
Ministry of Micro, Small & Medium Enterprises	10.03.2021	Nitin Gadkari Virtually Inaugurates Technology Centres, Extension Centres and Udyam Express of MSME
Ministry of Finance	09.03.2021	Over 1,10,019 loans extended since launch of 'Stand up India' scheme since its inception
Ministry of Finance	09.03.2021	Financial aid to states to meet GST compensation
Ministry of Home Affairs	09.03.2021	National Cyber Crime Reporting Portal
Ministry of Finance	08.03.2021	Disputes amounting to Rs. 98,328 crore are resolved under Vivad se Vishwas Scheme till 1st March 2021
Ministry of Home Affairs	08.03.2021	Ministry of Home Affairs has taken several steps to enhance the safety and security of women in the country
Ministry of Micro, Small & Medium Enterprises	08.03.2021	Udyam registration further simplified
Prime Minister's Office	05.03.2021	PM addresses webinar on Production Linked Incentives scheme
Prime Minister's Office	05.03.2021	English rendering of PM's address at the webinar on Production Linked Incentives scheme
Ministry of Commerce & Industry	03.03.2021	Shri Piyush Goyal emphasizes on integration of road, rail and waterways to achieve One nation, One market;
Prime Minister's Office	02.03.2021	Text of PM's address at the inauguration of Maritime India Summit 2021
Prime Minister's Office	02.03.2021	PM inaugurates Maritime India Summit 2021
Ministry of Commerce & Industry	02.03.2021	India's Merchandise Trade: Preliminary Data, February 2021
Ministry of Home Affairs	01.03.2021	Land Ports Authority of India (LPAI) celebrates its 9th Foundation Day
Ministry of Finance	28.02.2021	Due date for furnishing of GSTR-9 and GSTR-9C for the financial year 2019-20 extended further to 31.03.2021
Ministry of Ports, Shipping and Waterways	24.02.2021	Prime Minister Narendra Modi to inaugurate Second Edition of Maritime India Summit on 2nd March 2021
Ministry of Commerce & Industry	23.02.2021	India and Mauritius sign Comprehensive Economic Cooperation and Partnership Agreement
Ministry of Finance	22.02.2021	CBIC provides facilitation for exporters having IGST refund issues
Ministry of Ports, Shipping and Waterways	19.02.2021	Deendayal Port crosses 100 MMT in cargo handling

REVIEW OF INDIAN MAN-MADE FIBRE TEXTILES EXPORTS DURING APRIL – DECEMBER2020-2021

Exports of Indian Manmade fibre (MMF) textiles for the period of April-December 2020-21 were US$ 3117.77 Mn against US$ 4419.99 Mn. showed double digit of – 29.46 % as compared to the corresponding period of the previous year (Source: MOC).

	April-December 2019-2020	April-December 2020-2021	% Growth
FIBRE	389.89	254.64	-34.69
YARN	1338.71	879.55	-34.30
FABRICS	1575.27	1027.70	-34.76
MADE-UPS	1116.12	955.88	-14.36
TOTAL	**4419.99**	**3117.77**	**-29.46**

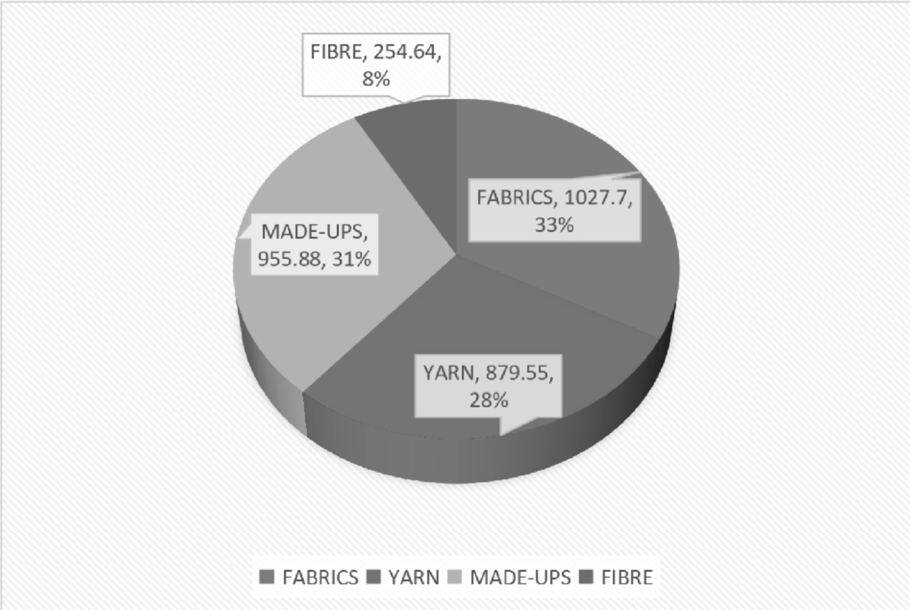
HIGHLIGHTS

- Overall exports duringApril-December 2020-2021 declined by 29.46% as compared to the same period of the previous year.
- Exports of Manmade Fibre (MMF) have witnessed a decline of 34.69% during April-December2020-21 as compared to the same period of the previous year.
- Exports of Manmade fibre (MMF) yarn witnessed a decline of 34.30% during the observed period.
- Exports of MMF fabrics have also witnessed a decline of 34.76% during the period as compared to the same period of the previous year.
- Exports of MMF made-ups have witnessed a decline of 14.36% during the year.
- Exports of made-ups and fabrics dominated with 61% share followed by yarn 30%and fiber 9% in the Indian MMF textile exports.
- In the fabrics segment Synthetic Filament Fabrics (US$ 465.33 Mn) followed by Polyester Filament Fabrics (US$ 192.80 Mn), Polyester-Viscose Fabrics (US$ 116.32Mn), were the top exported MMF fabrics during April-December 2020-2021.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth (US$ 475.40Mn) followed by Polyester Cotton Yarn (US$ 109.63Mn), Polyester Spun Yarn (US$ 51.55Mn).
- In Made-ups, exports of Bulk Containers was the leading item with exports worth US$ 476.75Mn followed by Shawls/scarves US$ 60.44Mnand motifs worth US$ 55.89Mn.
- Polyester Staple Fibre (US$ 158.73Mn) was the leading item in the MMF category followed by Acrylic Staple Fibre (US$ 6.45Mn).
- USA was the leading market for Indian MMF textiles during April-December 2020-2021with 14% share in total exports followed by UAE7% and Turkey6%.
- Other major markets during April-December 2020-2021 were Bangladesh (5%), Brazil 4%, Sri Lanka (4%), Egypt 3%, Germany 3%, Italy and Belgium with share of 2% each.
- USA, UAE and Sri Lanka were the leading markets for Indian MMF Fabrics during April-December 2020-2021

- USA was also leading market for Indian MMF Made-ups and second largest market for Indian MMF Fibre during the period.
- Yarn Exports to important markets like Turkey, Brazil, USA have declined significantly by 48.28%, 41.64% ,7.74%. and respectively

PRODUCT SHARE

During April-December 2020-2021, dominated product in the Indian MMF textiles export basket was fabrics accounting for 33% share followed by made-ups 31%, yarn 28%, and Fibre 8%.



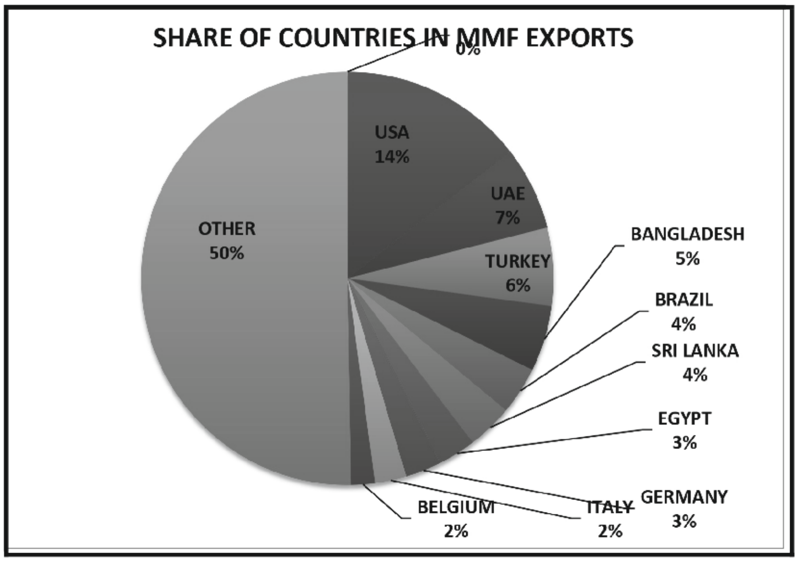
PRODUCT-WISE EXPORT PERFORMANCE APRIL-DECEMBER 2020-2021 (Value in USD Mn)

Product Description	April-December 2019-2020	April-December 2020-2021	Net Change	% Growth
FABRICS (Woven + non-woven + knitted)				
Synthetic Filament	579.52	465.33	-114.19	-19.70
Polyester Filament	316.62	192.80	-123.82	-39.11
Polyester Viscose	187.21	116.32	-70.89	-37.87
Polyester Blended	45.33	39.51	-5.82	-12.84
Polyester Cotton	26.25	19.22	-7.03	-26.78
Viscose Spun	29.17	18.04	-11.13	-38.16
Polyester Wool	22.69	19.06	-3.63	-16.00
Nylon Filament	21.83	14.22	-7.61	-34.86
Viscose Blended	19.92	12.13	-7.79	-39.11
Polyester Spun	7.85	5.72	-2.13	-27.13
Viscose Cotton	7.28	3.64	-3.64	-50.00
Other fabrics	311.6	121.71	-189.89	-60.94
Total Fabrics	**1575.27**	**1027.7**	**-547.57**	**-34.76**

Product Description	April-December 2019-2020	April-December 2020-2021	Net Change	% Growth
YARN				
Polyester Filament	797.74	475.40	-322.34	-40.41
Polyester Cotton	114.55	109.63	-4.92	-4.30
Polyester Spun	91.07	51.55	-39.52	-43.40
Viscose Spun	64.61	43.73	-20.88	-32.32
Polyester Viscose	81.20	39.73	-41.47	-51.07
Acrylic Spun	29.81	24.12	-5.69	-19.09
Nylon Filament	24.36	17.65	-6.71	-27.55
Viscose Filament	27.44	15.96	-11.48	-41.84
Polyester Wool	12.24	6.17	-6.07	-49.59
Viscose Cotton	5.16	4.53	-0.63	-12.21
Other Yarn	90.46	91.08	0.62	0.69
Total Yarn	**1338.71**	**879.55**	**-459.16**	**-34.30**
MADE-UPS				
Bulk Containers	521.25	476.75	-44.50	-8.54
Shawls/Scarves	66.98	60.44	-6.54	-9.76
Motifs	71.50	55.89	-15.61	-21.83
Fishing Net	45.32	50.09	4.77	10.53
Muffler	63.49	44.17	-19.32	-30.43
Blanket	20.52	17.74	-2.78	-13.55
Rope	19.71	15.06	-4.65	-23.59
Furnishing Articles	15.94	14.62	-1.32	-8.28
Bed Linen	10.38	13.68	3.30	31.79
Sacks and Bags	14.92	11.81	-3.11	-20.84
Braids	9.82	8.51	-1.31	-13.34
Other Made-ups	256.29	187.12	-69.17	-26.99
Total Made-ups	**1116.12**	**955.88**	**-160.24**	**-14.36**
FIBRE				
Polyester Staple	218.68	158.5	-60.18	-27.52
Viscose Staple	102.24	81.27	-20.97	-20.51
Acrylic Staple	29.14	6.45	-22.69	-77.87
Other Fibre	41.33	8.42	-32.91	-79.63
Total Fibre	**391.39**	**254.64**	**-136.75**	**-34.94**

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

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



LEADING MARKETS

Value in US$ Mn

Markets	April-December 2019-2020	April-December 2020-2021	Net Change	% Growth
USA	456.36	441.19	-15.17	-3.32
UAE	250.54	199.12	-51.42	-20.52
TURKEY	362.76	185.95	-176.81	-48.74
BANGLADESH	281.85	156.79	-125.06	-44.37
BRAZIL	193.16	113.08	-80.08	-41.46
SRI LANKA	153.52	108.87	-44.65	-29.08
EGYPT	104.39	90.67	-13.72	-13.14
GERMANY	106.17	85.57	-20.60	-19.40
ITALY	90.68	75.28	-15.40	-16.98
BELGIUM	78.24	56.77	-21.47	-27.44

MAJOR MARKETS FOR MMF FABRICS

Value in US$ Mn

Markets	April-December 2019-2020	April-December 2020-2021	Net Change	% Growth
USA	127.42	136.18	8.76	6.87
UAE	139.91	98.52	-41.39	-29.58
SRI LANKA	129.73	91.41	-38.32	-29.54
BANGLADESH	154.73	74.70	-80.03	-51.72
EGYPT	22.06	22.03	-0.03	-0.14
ITALY	15.74	17.80	2.06	13.09
BELGIUM	15.63	12.59	-3.04	-19.45
GERMANY	9.59	8.95	-0.64	-6.67
TURKEY	10.15	7.45	-2.70	-26.60
BRAZIL	6.58	3.71	-2.87	-43.62

MAJOR MARKETS FOR MMF YARN

Value in US$ Mn

Markets	April-December 2019-2020	April-December 2020-2021	Net Change	% Growth
TURKEY	316.61	163.74	-152.87	-48.28
BRAZIL	173.48	101.24	-72.24	-41.64
USA	55.65	59.96	4.31	7.74
BANGLADESH	70.75	57.71	-13.04	-18.43
EGYPT	67.67	55.64	-12.03	-17.78
BELGIUM	28.61	20.26	-8.35	-29.19
UAE	18.34	19.44	1.10	6.00
SRI LANKA	18.33	13.64	-4.69	-25.59
ITALY	14.91	10.71	-4.20	-28.17
GERMANY	11.59	9.19	-2.40	-20.71

MAJOR MARKETS FOR MMF MADE-UPS

Value in US$ Mn

Markets	April-December 2019-2020	April-December 2020-2021	Net Change	% Growth
USA	234.83	223.65	-11.18	-4.76
UAE	90.57	79.62	-10.95	-12.09
GERMANY	73.93	60.51	-13.42	-18.15
ITALY	53.51	41.19	-12.32	-23.02
BELGIUM	18.58	14.64	-3.94	-21.21
SRI LANKA	5.46	3.81	-1.65	-30.22
EGYPT	4.76	3.56	-1.20	-25.21
TURKEY	4.43	2.81	-1.62	-36.57
BRAZIL	3.72	2.06	-1.66	-44.62
BANGLADESH	19.67	0.9	-18.77	-95.42

MAJOR MARKETS FOR MMF FIBRE

Value in US$ Mn

Markets	April-December 2019-2020	April-December 2020-2021	Net Change	% Growth
BANGLADESH	36.70	23.48	-13.22	-36.02
USA	38.46	21.40	-17.06	-44.36
TURKEY	31.57	11.95	-19.62	-62.15
EGYPT	9.90	9.44	-0.46	-4.65
BELGIUM	15.42	9.28	-6.14	-39.82
GERMANY	11.06	6.92	-4.14	-37.43
BRAZIL	9.38	6.07	-3.31	-35.29
ITALY	6.52	5.58	-0.94	-14.42
UAE	1.72	1.54	-0.18	-10.47
SRI LANKA	0.00	0.01	0.01	0.00

Ref: Mem/2021-22/001

1st April 2021

To: Members of the Council,

Sub: Renewal of Council's Membership for the year 2021-2022

Dear Sir,

We are pleased to send herewith the Subscription Memo for renewal of your Membership of the Council for the year 2021-22.

Kindly note that the annual fee is Rs. 12331/-. However, for S.S.I Units, the fees will be Rs. 8201/-. The above said fees also include the G.S.T. charge @ 18%. The Membership fee should be paid latest by 30th April 2021.

Members enrolling in the category of Manufacturers with the Council and holding valid S.S.I. Certificate issued by the competent Government Authority for production of items which fall under the purview of the Council i.e. Synthetic and Rayon textile items, are eligible for Membership under SSI Manufacturer Category. The membership fee for such members will be Rs.8201/- only (For other Members i.e. Non-SSI, it is Rs.12331/-).

We would like to bring to your attention that non-payment of the membership fee will lead to the cancellation of membership and subsequently the cancellation of Registration-cum-Membership Certificate (RCMC) granted as per the direction of Foreign Trade Policy 2015-2020 of the Government of India. You are therefore, requested to send us your Cheque / Demand Draft in accordance with the enclosed subscription memo at the earliest but not later than 30th April 2021.

We also like to inform you that the Council has made all arrangements for online renewal of membership as well as online issuance of RCMC. You will be able to renew your membership online through website: https://membership.srtepc.in, please note that your company IEC code is your user id and you click on 'forgot password', you will receive your login details on your registered email id.

We look forward to the renewal of your Membership and request you to send us the subscription amount by online payment/cheque or Demand Draft in favour of "**The Synthetic & Rayon Textiles Export Promotion Council**" payable at Mumbai at the earliest. Members can also pay the renewal fee at the Regional Offices of the Council located at New Delhi and Surat. Please do write your company name, IEC number as well as GSTIN number behind your cheque/DD in-case of offline renewal payment.

Thanks,

Yours faithfully,

Balaraju

S. BALARAJU
EXECUTIVE DIRECTOR

Postal Regn. No. MCS/230/2021-23
Published on 20th & Posted on 25th & 26th of every month at Mumbai Patrika Channel Sorting Office

SRTEPC'S Services to Indian Exporters

srtepc
SINCE 1954

- Introduces Exporters to appropriate Overseas Buyers
- Provides up-to-date information and identifies potential markets for them
- Organises Export Promotion Programmes like Trade Fairs/Exhibitions, Buyer-Seller Meets in various overseas markets.
- Organising Reverse Buyer Seller Meets every year by which the overseas buyers are brought to India to discuss business with members
- Provides Grant for Market Access Initiative subsidy towards airfare for participation in promotional programmes like Exhibition/Fairs abroad (Member of the Council for the last year one year is a must)
- Conducts Workshops, Seminars to keep exporters abreast of latest development in policy/procedural matters, international trends, marketing strategies, government schemes, etc.
- Assist the exporters on Import-Export Policy and Procedures
- Resolve their problems about shipping and transport
- Maintain liaison with the Government authorities to convey the requirements of the industry and trade and help to bring about appropriate policy changes.
- Facilitates free display of samples at Council's Trade Centre in Mumbai and Surat frequented by overseas buyers and Trade Delegations
- Resolves problems of members connected with DGFT, Customs/Central Excise, GST, ROSL, Duty Drawback, Banking, ECGC, etc.
- Provides information on the trends for product development and adaptation to suit the overseas market requirements
- Issues export turnover certificates and certificate of origin.
- Visa facilitation to visit specified markets to discuss business with their target customers.
- Publication of Newsletter and regular circulars/letters to keep them aware of the activities of the Council and trade information.
- Collection and dissemination of Industry / Trade statistics to help members make their export strategy for export.
- Dissemination of information on foreign markets/emerging trends and trade enquiries
- Make them aware about different Anti Dumping duties as applicable in respective markets. From time to time also inform them about Sunset Reviews and give them timely information on questionnaire to be filled in, etc.
- Forex updates on WhatsApp.

If Undelivered, return to:
The Synthetic & Rayon Textiles Export Promotion Council
Resham Bhavan, 78, Veer Nariman Road, Mumbai - 400 020.