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8TH CAMBODIA IMPORT-EXPORT & ONE PROVINCE ONE PRODUCT EXHIBITION

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

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

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

Inaugurating the 8th Cambodia Import-Export & One Province One Product Exhibition 2013, the Hon'ble Deputy Prime Minister said : "The 8th Cambodia Import-Export & One Province One Product Exhibition 2013 will not only offer a golden opportunity to businessmen, traders, producers and investors from all around the region to meet and seek business partners, but it will also be a significant international trade platform in promoting and improving both bilateral and multilateral trade co-operation between Cambodia and other countries for the sake of common interest in building a firm global economy".

Welcoming the Dignitaries at the opening Ceremony of the 8th Cambodia Import-Export & One Province One Product Exhibition 2013, Mr. Kem Sithan, the Hon'ble Minister of Commerce of Cambodia said: "Cambodia Import-Export & OPOP Exhibition 2013 is organized with the purpose of promoting trade and investment in Cambodia, and to contribute to the economic development.

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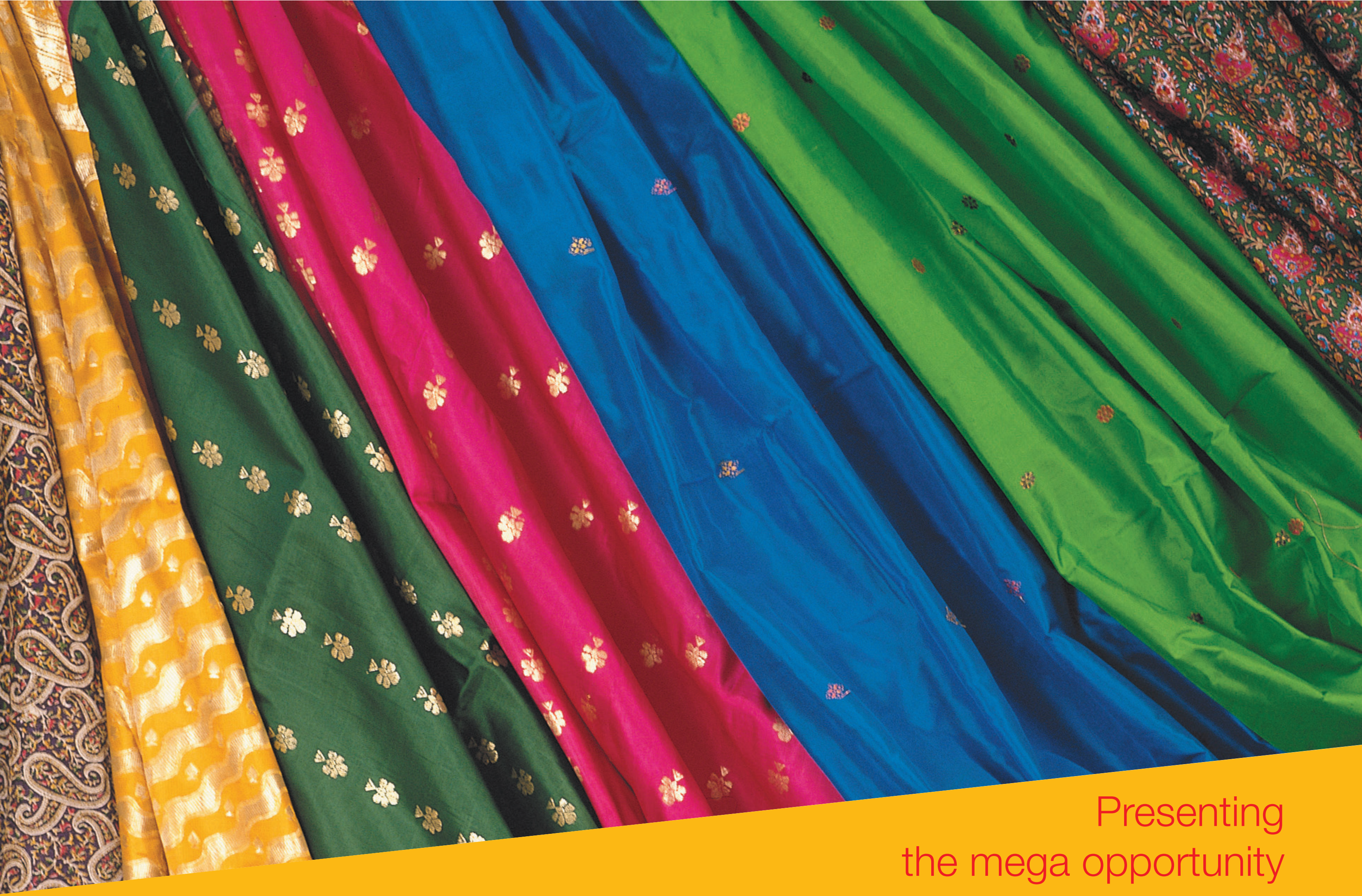
View of the stalls of the member companies of the Council at the Exhibition.



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Editor: **EDASSERY LONAPPAN PAULO**

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MESSAGE FROM THE CHAIRMAN

Dear Member,

The New Year has begun on an encouraging note as exports of MMF textiles in November shows a growth of 20% compared to the same month in the previous year. I expect the buoyancy to continue in the coming months due to the improving economic conditions in the EU and USA. I count on the concerted efforts of all members to achieve the target of US$ 6 billion for the year 2013-14. However, our long term aim should be to take exports of MMF textiles to new heights and surpass the US$ 9 billion target envisaged by the end of the 12th Five Year Plan (2016-17).

One of my main concerns of late is the efforts of AEPC to create an impression that quality MMF fabrics are not available in India for the domestic garment manufacturers. In this connection AEPC has put forth a proposal for grant of 5% Duty Credit Scrip for import of specialized fabrics for Indian garment manufacturers. I had interactions with the Hon'ble Union Minister of Textiles and other officials in this regard to impress upon them that the domestic industry would be severely affected due to huge imports of fabrics if the proposal goes through. This will also have negative impact on the prospects and growth of the domestic textile industry. The Hon'ble Union Minister of Textiles has assured that interest of all stakeholders will be considered before a final decision is taken in this regard. It shall be my endeavour that the concerns of the Indian MMF textile industry and exporters are addressed properly in the matter.

I may also inform you that I had a series of Meetings with the officials of the Ministry of Textiles regarding changes in the Foreign Trade Policy and Budget Proposals. The Council has represented regarding expansion of Chapter 3 benefits including addition of new countries in Focus Market Scheme, inclusion of additional products in Focus Product Scheme, additional allocation of MDA/MAI, etc.

We have also put forth our proposals for forthcoming Budget which includes reduction of Excise Duty on man-made fibre to 4%, availability of cheaper credit for exports, allowing of Central Excise registration for Merchant Exporters, etc. I am confident that our proposals will be considered favourably and implemented appropriately.

I am glad to inform you that the Council will be holding its Annual Award Function on 31st January to honour exporters for their outstanding export performance for the year 2012-13. Dr. Kavuru Sambasiva Rao, Hon'ble Union Minister of Textiles has consented to be the Chief Guest. I take this opportunity to congratulate the award winners and invite the members to be present on the celebratory occasion.

The year 2014 is special for the Council as we are entering the 60th year of service to exporters. It should be our endeavour to face the tough challenges ahead and exploit the emerging opportunities to carve out a greater share in the global MMF textile market and contribute increasingly to the national exports.

With warm regards,

Yours sincerely,

RAKESH MEHRA
CHAIRMAN

INDONESIA

Textile growth to remain sluggish in 2014

The Indonesian textile industry growth prospects are estimated to remain sluggish during the year 2014, owing to the planned increase in electricity power next year, it has been reported.

It is learnt from reports that the rise in electricity tariffs goes against the Government's aim to improve competitiveness in domestic industries, especially during the phase of ASEAN Economic Community (AEC), which will take effect from 2015.

The plan to raise electricity tariffs next year would undercut the competitiveness of the manufacturing industry, especially textiles. The electricity tariffs would automatically affect the production costs which are expected to rise by 3 to 4 percent.

Moreover, investments in the textile industry next year would also be stagnant due to the Bank of Indonesia's decision to raise its benchmark interest rate, which would hamper the arrival of foreign investors in Indonesian textiles.

However, it is believed that the textile and apparel sector would experience significant growth in exports during 2014, owing to the improvement in the economies of countries like the US and Europe.

TUNISIA

Textile sector shows improvement in October

The textile and clothing sector in Tunisia has recorded a slight improvement in October 2013, it has been reported.

It is learnt that Tunisia's balance of trade in textiles and apparel recorded a slight improvement of 0.4 percent points. Tunisia's warp and weft clothing exports increased by 51 percent year-on-year to Spain, by 40 percent to the UK, and by 11 percent to the German market.

On the other hand, Tunisia's knitwear exports to all its traditional markets declined, with the largest drop of 63 percent year-on-year recorded in its supplies to Italy.

In the textile segment, Tunisian exports registered an increase of 5.51 percent in value, but a decline of 5.87 percent by weight.

The textile and clothing industry in Tunisia has about 2,000 companies which together provide employment to around 200,000 people. The sector plays a key role in the socio-economic development of the smallest country, in terms of land area, in northern Africa.

The textile and apparel sector has a 34.8 percent share in the number of people employed in the country's manufacturing sector, making it the largest employer in the manufacturing industry.

Similarly, with a share of 32.6 percent, the Tunisian textile and garment sector is the largest in terms of number of companies.

The sector is also the second-largest foreign exchange earner for the country.

In the first ten months of 2013, investment in Tunisian textile and clothing industry fell by 5.8 percent year-on-year.

SRI LANKA

Exports of textiles and garments shows a growth

Exports of textiles and garments grew by 46.8 percent year-on-year to US$ 436.4 million in October 2013, it has been reported.

Exports of garments to both the EU and USA, which are Sri Lanka's major export destinations, recorded remarkable growth rates of 53.2 percent and 43.4 percent, respectively in October 2013, reflecting the recovery in those economies as well as seasonal demand.

From January to October 2013, Sri Lanka's overall textiles and apparel exports stood at US$ 3.563 billion, registering a 9 percent increase over exports worth US$ 3.269 billion made during the corresponding period of last year.

In October 2013, Sri Lanka's textiles and clothing imports fell by 16.9 percent year-on-year to US$ 186.2 million.

During the year through October 2013, Sri Lanka's total textiles and apparel imports recorded US$ 1.688 billion, showing a dip of 9.6 percent, as against imports of US$ 1.868 billion made during the same 10-month period in 2012, the Central Bank data showed.

In 2012, Sri Lanka exported textiles and apparels worth US$ 3.8 billion, and the country has set a target of achieving US$ 4.1 billion in textiles and garment exports this year.

EL SALVADOR

Textile exports on the rise

Textile and clothing exports from El Salvador increased by 8.2 percent year-on-year and touched US$ 2.007 billion, during the period of January to October 2013.

El Salvador exported textile and clothing worth US$ 212.5 million in the month of October itself. Last year, the country exported textile and clothing worth US$ 195.2 million during the same month.

During the first ten months of 2013, the US remained the main destination for Salvadoran textiles and clothing, as the country accounted for 76 percent of total exports made by El Salvador.

The Central American region ranked second, with El Salvador exporting 21 percent of its textile and apparel to the region, during the period of January to October.

In 2012, textile and garment exports fetched US$ 2.196 billion for El Salvador. Of which, cotton textiles and apparel accounted for US$ 1.436 billion, while synthetic textiles and apparel earned US$ 505.25 million, and other textiles were valued at US$ 254.58 million.

The textile and apparel industry is one of the strongest pillars of the El Salvadoran economy as it accounts for over half of the total exports made by the country.

PAKISTAN

Exports of textiles and clothing surges

The exports of textiles and apparel from Pakistan grew by 6.02 percent to US$ 5.684 billion during the first five months of the current fiscal year 2013-14, as compared to exports of US$ 5.36 billion.

Meanwhile, Pakistan's textile imports declined slightly by 0.31 percent year-on-year to US$ 883.03 million during July-November 2013 period.In November 2013, Pakistan exported textiles and clothing worth US$ 1.01 billion, while it imported goods valued at US$ 181.38 million.

During last fiscal year which ended on June 30, 2013, textile and clothing exports from Pakistan grew by 5.9 percent to US$ 13.06 billion from US$ 12.34 billion in 2011-12.

TURKEY

Textile exports up 7.1% in the first eleven months of 2013

Exports of textiles and raw materials from Turkey touched US$ 7.7 billion during the first eleven months of 2013, indicating an increase of 7.1 percent, compared to the same period last year, it has been reported.

Turkey exported textiles and raw materials worth US$ 7.7 billion, of which woven fabric accounted for 33.7 percent, with exports reaching US$ 2.6 billion during the January to November, 2013 period.

The textile and raw material exports during the January to November 2013 period accounted for 5.6 percent of the overall exports from Turkey.

The European Union (EU) remained the main destination of textile exports from Turkey, as 45.9 percent of its overall textile and raw materials during the period were to the EU. Turkey exported textile and raw materials worth US$ 3.5 billion to the EU during the January to November period.

Exports to the Middle East recorded a surge of 2.8 percent year-on-year, with Turkey exporting textile and raw materials worth US$ 595 million to the Middle East during the period.

Country-wise, Turkey exported textiles and raw materials worth US$ 957 million to Russia, US$ 782 million to Italy, US$ 410 million to Germany and US$ 304 million to Romania during the January to November 2013 period.

GUATEMALA

Textile exports expected to increase by 4 to 5 per cent in 2014

The textile industry in Guatemala is estimating its exports to rise between 4 and 5 percent in 2014, as the supply to Haiti and Nicaragua is increasing, it has been reported.

Guatemalan textile exports to the US, its major trading partner, is expected to remain stable in 2014.

In 2014 the Guatemalan textile industry will have to identify new niche markets in Europe, to benefit from the Association Agreement between Central America and the European Union.

CHINA

Economy at its weakest in 2013

China's economy which has grown around 7.6 per cent in 2013 is its weakest growth since 1999, with latest economic figures indicating sluggish economic activities in the last quarter, it has been reported.

China's latest economic figures, especially the purchasing managers' index (PMI) in both factory activity and the services sector, indicated sagging momentum in December, with the country's growth softening slightly last quarter.

China's economy expanded by 7.7 per cent in the first nine months of 2013. GDP growth in the third quarter accelerated to 7.8 per cent from 7.5 per cent in the second.

VIETNAM

Textile exports expected to grow

The Vietnam Textile and Apparel Association (VITAS) expects the export value of the textile and apparel industry to show strong growth this year.

According to reports the world economy's outlook is expected to improve in 2014, as large economies, such as the US, the EU, Japan and South Korea, have seen recovery.

An improving global economy will be favourable for Vietnam, in general, and the local textile and garment industry, in particular, because the county will be able to boost its level of exports to the international markets.

Therefore, the exports of textile and apparel by value could rise 12 per cent in 2014 from the previous year.

That represents a year-on-year increase of 18.6 per cent to $17.9 billion for textile and garment exports and a 15.7 per cent surge to $2.1 billion for fibre products.

The industry boasted a trade surplus of $5.12 billion last year, with imports of raw materials estimated at $14.88 billion. Local demand for textiles and apparel also increased 12 per cent, he added.

The industry also has a strong potential to export products to the EU market. Every year, the EU spend around $250 billion to import the staple, while Vietnam's exports to the EU were estimated at about $2.4-$2.5 billion last year.

TAIWAN

Textile exports surpasses US 10 billion in 2013

Taiwan exported textiles and apparel worth US$ 10.69 billion during the period from January 2, 2013 to November 2, 2013, showing a decrease of 1.12 percent year-on-year, it has been reported.

Taiwan exported $1.03 billion worth of fibres during the period, which made up 9.66 percent of all textile exports made by the country.

Yarn exports earned $1.94 billion for Taiwan, while fabric exports fetched $6.72 billion, accounting for 18.15 percent and 62.88 percent share in all Taiwanese textile and apparel exports during the period.

China and Vietnam were major markets for Taiwanese textiles with these countries importing goods worth $2.30 billion and $1.75 billion, respectively, during the period under review.

Hong Kong, the US and Indonesia were other main markets which imported Taiwanese textiles valued at $945.2 million, $831.19 million and $546.65 million, respectively.

During the period, Taiwan's textile and garment exports to Jordan increased by 26.93 percent year-on-year, while those to Vietnam rose by 16.41 percent year-on-year.

On the other hand, Taiwan's textile and clothing exports to Hong Kong and Japan declined by 11.71 percent year-on-year and 11.78 percent year-on-year, respectively.

USA

Textile imports up during January-November 2013

The imports of textiles and apparel by the United States were to the tune of US$ 96.98 billion during January to November 2013, registering an increase of 3.7 percent over $ 93.52 billion imports made during the corresponding period of 2012, it has been reported.

During the 11-month period, China accounted for 39.85 percent share of all textiles and garments imported by the US. Vietnam, India and Indonesia recorded 8.31 percent, 5.97 percent and 5.07 percent share respectively in US textile and clothing imports.

Bangladesh and Mexico followed closely with 4.88 percent and 4.42 percent share, respectively, in all US textile and garment imports during the period under review.

Among non-apparel imports, cotton products were worth $47.77 billion, while man-made fibre (MMF) products were worth $43.19 billion. Wool products cost $4.42 billion and silk and vegetable fibre products accounted for $1.59 billion.

Both in 2011 and 2012, the US textiles and clothing imports crossed the $100 billion-mark and seeing the trend it seems that the country is likely to surpass the 100 billion-mark in 2013 also.

SPAIN

Textile and clothing exports rise during the first ten months of 2013

Textile and apparel exports from Spain registered a growth of 14 percent year-on-year during the first ten months of 2013, and reached € 10.2 billion, it has been reported.

Spain imported textiles and apparel worth € 12.4 billion, indicating a jump of 4.1 percent during the January to October period, compared to the same period in 2012.

Exports of textiles and clothing were to the tune of €1.2 billion, indicating a surge of 10.3 percent, compared to the same period in 2012. In terms of the garment sub-sector, the country exported apparel worth € 878 million, showing a rise of 12.6 percent year-on-year.

However, imports of textiles and garments for the month of October 2013 declined by 1.8 percent year-on-year and touched € 1.3 billion, of which, imports of garments in the month of October decreased by 3.9 percent and amounted to € 1 billion, compared to the same month in 2012.

PORTUGAL

Textile exports up

The exports of textiles and clothing from Portugal increased by 3.5 percent year-on-year to €3.935 billion during the first eleven months of 2013, it has been reported.

It is learnt that Portuguese textile and clothing industry's sales outside Europe increased by 10 percent year-on-year, especially to Tunisia (36 percent), the United States (16 percent), Angola (12 percent) China (11 percent) and Switzerland (over 10 percent) which is believed to be due to efforts made in diversifying target markets, especially in non-EU markets.

Portuguese textile and garment exports to traditional markets like Sweden, the UK and the Netherlands also registered a growth of 13 percent, 12 percent and 7 percent, respectively.

Despite the crisis, Portugal's textile and apparel exports to neighbouring Spain rose by 0.7 percent year-on-year.

Segment-wise, the exports of made-up articles, including home textiles, increased at 10 percent year-on-year, while knitwear exports grew by 7 percent y-o-y, during January-November 2013 period.

Knitted fabric exports from Portugal rose by 12 percent y-o-y, while exports of synthetic or artificial fibres increased by 7 percent y-o-y in value.

During the 11-month period, Portugal's textile and apparel imports also increased. While the EU countries remained the major suppliers, imports from Indonesia, Pakistan, Bangladesh and India surged by 86 percent y-o-y, 46 percent, 38 percent and 33 percent respectively.

However, the trade balance of Portugal's textile and clothing industry registered a surplus of €957 million in the initial 11 months of 2013.

In 2012, Portugal exported textiles and garments worth €4.2 billion. The Portuguese textile and apparel sector accounts for about 155,000 direct jobs.

CHINA

US and Japan the main markets during January-September 2013

The United States and Japan continued to be the main destinations for Chinese textile and apparel exports in January-September 2013 period, it has been reported.

It is learnt that China's textile and clothing exports grew by 12 percent year-on-year to US$ 209.529 billion during the nine-month period. Of this, the US imported goods worth $31.261 billion, accounting for 14.9 percent share in China's overall textile and garment exports during the period.

With 9.5 percent share, Japan was the second-largest destination for Chinese textiles and apparel. China's exports to Japan were valued at $19.893 billion during the first three quarters of 2013.

Hong Kong, Vietnam and Russia were the next three spots with imports worth $14.53 billion, $9.277 billion and $8.199 billion, accounting for 6.9 percent, 4.4 percent and 3.9 percent share, respectively, in China's total textile and garment exports during the period under review. Germany, the UK and the UAE followed next with 3.8 percent, 3.3 percent and 2.8 percent share.

Continent-wise, the bulk of Chinese textile and garment exports were destined to Asian countries, which imported goods valued at $96.644 billion during the first three quarters of 2013.

China earned $49.064 billion from textile and clothing exports to Europe, while its exports to North America, Latin America, Africa and Oceania fetched $34.496 billion, $12.767 billion, $12.198 billion and $4.359 billion, respectively, the CCCT data showed.

Among the top 20 destinations for Chinese textile and apparel exports, the highest increase was seen in exports to Vietnam, which surged by 73.4 percent year-on-year, followed by exports to Kazakhstan, Malaysia and Russia, which increased by 54.7 percent year-on-year, 45.8 percent y-o-y and 31.3 percent y-o-y, respectively.

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Exports of textiles and clothing touches US$ 15 billion during the first six months of 2013-14

India's exports of textiles and clothing during the first six months of the current financial year 2013-14 were to the tune of nearly US$ 15 billion, it has been reported.

According to the data, India exported US$ 14.935 billion worth of textiles and garments during the first half of the current fiscal year, with the readymade garments accounting for US$ 7.074 billion of the same.

Cotton yarn, fabrics, made-ups, etc. contributed US$ 4.236 billion to the nation's foreign exchange, while man-made yarn, fabrics, made-ups, etc. fetched US$ 2.431 billion during the six-month period.

Natural silk yarn, fabrics, made-ups, etc. accounted for US$ 79.3 million, whereas woolen yarn, fabrics, made-ups, etc. brought US$ 51.8 million.

Hand-made carpets, jute & jute goods, and coir & coir item exports from India were worth US$ 507.5 million, US$ 181.8 million, and US$ 100.5 million, respectively.

India also exported man-made staple fibres valued at US$ 272 million during April-September 2013 period. During the same period, India's textile yarn and fabric imports stood at US$ 2.05 billion.

In the year 2012-13, India's total textiles and clothing exports were worth US$ 27.363 billion, with the readymade garments sector contributing US$ 12.928 billion.

Textiles and garments accounted for around nine percent of India's overall export earnings of US$ 300 billion during 2012-13.

Provisions of the FTAs to be looked at to safe guard the domestic industry

India will look into the provisions of all the free trade agreements with other countries so as to protect the interest of the domestic industry, it has been reported.

The Hon'ble Union Minister of State for Commerce and Industry, Shri EMS Natchiappan has said that India will go into the provisions of all the FTAs that the country has signed with other nations. There have been representations from various quarters of the country indicating the negative impact of such pacts. We will protect the domestic industry.

He said the India-Thailand FTA provisions would be re-assessed as the domestic electronics industry was getting affected.

India has implemented such trade pacts with several countries including Japan, Korea and Singapore. It is also negotiating over a dozen agreements with nations like Australia and Canada as well as the European Union.

However, industry bodies and exporters' grouping FIEO have raised concerns over the impact of FTAs on the domestic market.

India's imports from Japan, with which it implemented a comprehensive free trade agreement in 2011, increased by over 3% to $12.5 billion during the last fiscal. Similarly, the country's imports from Malaysia grew by 9% to $10.43 billion in 2012-13, from $9.55 billion during the previous fiscal. The country's exports to Japan declined to $6.26 billion during the last fiscal, from $6.32 billion in 2011-12.

ECGC to change its rating model

Export Credit Guarantee Corporation (ECGC) has undertaken an exercise to change its country rating model, which is widely used by banks and exporters to assess the creditworthiness of overseas importers, and also increased the capital structure to support bigger export deals.

ECGC has roped in Ernst & Young (EY) to revamp its country risk rating system while Dun & Bradstreet (D&B) is assisting the corporation to improve its overseas buyer rating system.

ECGC, which currently rates over 200 countries, maintains a list of about 1 lakh overseas buyers who deal with Indian exporters and is in the process of implementing the buyer rating system developed with the assistance of D&B.

The company is also getting ready to grow its financial strength so that it can support larger Indian exports. It has increased its authorised capital from ₹ 1,000 to ₹ 5,000 crore. The corporation's net worth is currently about ₹ 2,500 crore and it has further made provisions to the extent of ₹ 2,500 crore.

ECGC has also sought approval from the insurance regulator Insurance Regulatory and Development Authority (IRDA) to launch specialised products for exporters in the SME segment. These include insurance cover for factoring companies.

It is learnt that ECGC has seen steady rise in demands for credit insurance from both public sector and private banks for their export business as they are realising the benefits of such covers.

Banks save on provisioning and capital by mitigating their risks on export segment by taking ECGC covers.

Export target of $325 billion to be achieved

The Hon'ble Union Minister of Commerce and Industry, Shri Anand Sharma has stated that India will achieve the modest export target $325 billion for the current fiscal but to enhance it substantially, the country needs to boost its manufacturing capability, it has been reported.

The Hon'ble Minister further said that India has to grow in manufacturing led exports. The manufacturing sector, which constitutes over 75 per cent of the index, declined by 2 per cent in October as against a growth of 9.9 per cent a year ago.

During the April-October period of 2013-14 fiscal, the sector's output contracted 0.3 per cent compared to a growth of 1.1 per cent in same period last year.

The dip in the growth rate of the sector has also cast its shadow on the country's exports which has slowed down to about 6 per cent in November.

During April-November, exports grew by 6.27 per cent to $204 billion while imports aggregated at $304 billion. Trade deficit stands at $100 billion.

The Hon'ble Minister expressed confidence that India would achieve its exports target of $325 billion for the current fiscal.

Enforcement Directorate signs MoU with DGFT for sharing foreign exchange realization data

The Enforcement Directorate has signed a memorandum of understanding (MoU) with the Director General of Foreign Trade (DGFT) for sharing of foreign exchange realization data, it has been reported. This data is also known as eBRC (Electronic Bank Realization Certificate) data.

The Hon'ble Union Minister of Commerce and Industry Shri Anand Sharma presided over the ceremony in which Dr. Rajan Katoch, Director, Enforcement, Ministry of Finance and Director General of Foreign Trade (DGFT) Dr. Anup K Pujari signed the MoU. The Finance Secretary Shri Sumit Bose, Commerce Secretary Shri S R Rao and other senior officials were also present on the occasion.

The Hon'ble Union Minister of Commerce & Industry said that data sharing with Government departments would increase transparency, reduce the human interface and improve the ease of doing business in India. He also said that the eBRC project is a significant step in this direction and will contribute considerably in reducing the transaction cost of our exporters.

Bank Realization Certificate (BRC) is required for discharge of export obligation and claiming of incentives under Foreign Trade Policy. BRC is also used by state government departments for refund of VAT. In addition, this data is an important economic indicator as it quantifies transaction level export earnings.

Earlier, the banks issued physical copy of BRC to the exporters and no data mining or analysis was possible. The process for BRC issuance and subsequent utilization were largely manual and department centric. The exporters suffered most as they had to run to banks and government departments for claiming benefits.

The eBRC project was launched on June 5, 2012, which made the process secure and online. It created an integrated platform for receipt, processing and subsequent use of all Bank Realization related information by exporters, banks, central and state government departments. It was made mandatory with effect from August 17, 2012.

The e-BRC project enables banks to upload foreign exchange realisation information relating to merchandise goods exports onto the DGFT server under a secured protocol.

So far, 90 banks operating in India, including foreign banks and cooperative banks have uploaded more than 75 lakh e-BRCs onto the DGFT server. This initiative has reduced the cost of transaction for exporters by eliminating their interface with bank (for issuance of BRC) and enhanced the productivity of banks and DGFT.

DGFT is in talks with RBI for expanding the coverage of this data for setting up an efficient mechanism for foreign exchange monitoring.

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FREQUENTLY ASKED QUESTIONS (FAQ'S)

- **What is the revised RBI policy on third party payments for Imports / Exports?**

Ans: The Reserve Bank of India has recently notified that third party payments for export / import transactions can be accepted if a firm and irrevocable order, backed by a tripartite agreement, is in place. Also, if the payment is received from or made to a Financial Action Task Force-compliant country through banking channels, relevant documents like the Invoice, Bill of Entry, GR / SDF / Softex should mention payment from or to the third party and so on. For import, the facility of payment to a third party has been allowed for remittances up to $100,000 only.

- **We are an EPCG Licence holder and at the time of export, EPCG Licence No was not mentioned on Shipping Bills. Can such shipping bills be presented towards discharge of Export Obligation?**

Ans: As per Para 5.7.1 of Hand Book of Procedures, EPCG Licence No and date must be endorsed on the shipping bills which are proposed to be presented towards discharge of Export Obligation. However, DGFT has issued policy circular no 7/2002 dated July 11, 2002 regarding condonation of procedural lapse of not mentioning EPCG Licence No. and date on the shipping bills related to exports effected for fulfillment of EO. The procedural lapse may be condoned by DGFT RA's subject to submission/verification of documents as specified in the circular.

- **What is the validity of an Import Authorisation?**

Ans: Validity of an import Authorisation shall be 18 months from the date of issue of an Authorisation. RA concerned may revalidate import Authorisation on merits, for six months from date of expiry of validity.

- **Incremental Exports Incentivisation Scheme for Jan to March 2013 period is available on exports to USA, European and Asian countries. Please confirm whether any major Asian countries are excluded from this scheme?**

Ans: Exports to Singapore, U.A.E and Hong Kong shall not be taken into account for calculation of export performance or computation of entitlement under the scheme. These exclusions are in addition to other ineligible categories as per Para 3.14.4 (d) of FTP pertaining specifically to Incremental Exports Incentivisation Scheme.

- **Are foreign exchange inward remittances exempted from incidence of Service Tax?**

Ans: As per CBEC Circular No. 163/14/2012–ST dated July 10, 2012 it is clarified that there is no service tax per se on the amount of foreign currency remitted to India from overseas. In the negative list regime, 'service' has been defined in clause (44) of section 65B of the Finance Act 1994, as amended, which excludes transaction in money. As the amount of remittance comprises money, the activity does not comprise a 'service' and thus not subjected to service tax.

For any other specific query, member exporters can write to us at es@srtepc.org

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SRTEPC participates in Jeddah International Trade Fair, Saudi Arabia

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

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

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

MEETING ORGANIZED BY THE CONSULATE GENERAL OF INDIA IN JEDDAH

The Consulate General of India in Jeddah had organized a meeting between Saudi Business communities including local business chamber with the representatives on Indian textile companies on 14th December at Park Hyatt in Jeddah. Most of the representatives of the Council's member companies who participated in the Fair attended the meeting. Representatives from local trade body like Jeddah Chamber of Commerce and Industry also attended the meeting. During the meeting, the Consul General appreciated the efforts of the Council to explore the Saudi Arabia market and assured all necessary help for future endeavours of the Council in Saudi Arabia.

INAUGURATION OF THE FAIR

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

VISIT OF CONSUL GENERAL

H.E. Shri Fiaz Ahmed Kidwai, Consulate General of India, Jeddah along with Adnan Hussain Mandoura, Secretary General, Jeddah Chamber of Commerce & Industry visited Indian stalls on December 15, 2013, and interacted with the representatives.

The Secretary General, Jeddah Chamber of Commerce & Industry, Adnan Hussain Mandoura and H. E. Mr. Fiaz Ahmed Kidwai, Consulate General of India, Jeddah at the stall of one of the participating member companies of the Council at the Exhibition.

During his interactions the Consul General informed the representatives of the participating companies that Saudi Arabia is a potential market for Indian textiles and hence companies should try to explore the market. The Consul General assured all possible guidance and help to the Indian companies to explore the Saudi market.

BUSINESS VISITORS

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

MARKET OBSERVATIONS

Saudi Arabia is a potential market for Indian MMF textiles as per the statistics given below:

Value in US$ Mn.

MMF Textile Products	Import from World	Import from India	% Share of India
Fabrics	880.00	127.50	14.49
Made-ups	748.00	22.88	3.06
Yarn	99.00	9.36	9.45
Fibre	64.00	5.24	8.19
Total	**1791.00**	**164.98**	**9.21**

- Total import of man-made fibre textiles by Saudi Arabia in 2012 was US$ 1791.08 Mn. of which US$ 880 Mn was a fabric, US$ 748 Mn. Made-ups, US$ 99 Mn. Was Yarn, and US$ 64 Mn. Fibre.
- However export of Indian MMF textiles to Saudi Arabia during 2011-12 was US$ 164.98 Mn accounting for 9% in total import of these textiles by Saudi Arabia.
- Product share in the export basket of Indian MMF textiles to Saudi Arabia was Fabrics 77% (US$127.5 Mn), Made-ups 14% (US$ 22.88 Mn) Yarn 6% (US$ 9.36 Mn) and Fibre 3% (US$ 5.24 Mn).
- Main countries Saudi Arabia imported MMF textiles from were China, Rep of Korea, India, Japan, Indonesia, etc.

EXPORTS OF INDIAN MMF TEXTILES TO SAUDI ARABIA

In US$ Mn

	Fabrics	Made-up	Yarn	Fibre	Total	%Gr/Dec
2008-09	88.52	21.92	13.56	2.82	126.82	15.98%
2009-10	78.60	32.77	6.04	3.06	120.47	-5.01%
2010-11	80.00	20.43	5.14	1.34	106.91	-11.26%
2011-12	127.5	22.88	9.36	5.24	164.98	54.32%
2012-13	91.77	23.72	6.97	5.87	128.33	-22.21%

HIGHER IMPORT TARIFFS

Saudi Arabia is a member of the Gulf Cooperation Council (GCC), which consists of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the UAE. It is learnt that the import tariffs imposed by GCC are comparatively higher for fibre, yarn and fabrics up to 12% and for made-ups up to 15%.

ADDITIONAL IMPORT TAXES AND FEES

It is also understood that the imports to Saudi Arabia are subject to a Customs surcharge of 3 percent. Moreover, there is also an import inspection tax levied on all imports at the rate of up to 0.5 percent of the customs value of the goods.

The Secretary General, Jeddah Chamber of Commerce & Industry, Adnan Hussain Mandoura and H. E. Mr. Fiaz Ahmed Kidwai, Consulate General of India, Jeddah interacting with the representative of one of the participating companies of the Council.

This additional taxes and fees may make the imported textile products expensive to the end users in Saudi Arabia and thus make imports uncompetitive including man-made textiles from India.

CONCLUSION

Jeddah International Trade Fair is the most popular and largest Fair in Saudi Arabia. The Event provided an excellent opportunity for the participating Indian companies to understand the requirements of the Saudi textile market and also its way of doing business. It also helped in projecting India before the Saudi buyers as a major textile producing country and a reliable supplier of manmade fibre textiles. Future participation in the Fair is also expected to give further boosts to the existing exports of Indian manmade fibre textiles to Saudi Arabia.

FACILITIES AT THE CUSTOMS & REGIONAL OFFICE OF DGFT, MUMBAI FOR REDRESSAL OF DIFFICULTIES FACED BY EXPORTERS

With a view to resolve the problems faced by the exporters on various matters, such as issue of Advance licence/EPCG licences, cancellation of bonds / bank guarantees, passing of shipping bills, error in EDI shipping bills, difficulty in the filing of applications online, delay in getting Duty Drawback/Central Excise Rebate claims etc., the Customs department and the Regional office of the DGFT, Mumbai, periodically holds meetings as under:

1. Addl DGFT, Mumbai, every month chaired by the Zonal DGFT.
2. Watchdog Committee meeting held at Mumbai Customs every fortnight chaired by the Commissioner of Customs (Exports).
3. Watchdog Committee meeting held at JNPT Customs every month chaired by the Commissioner of Customs (Exports).
4. Trade Facilitation meeting held at Airport Customs (Sahar Cargo) every fortnight chaired by the Commissioner of Customs (Exports).
5. Open House meetings held every month at Mumbai Customs by the Chief Commissioner of Customs – Mumbai, JNPT & Airport customs.

We are glad to inform you that the Council has nominated its officer to these Committees who attends the meetings during which the problems of our member-exporters are taken up.

In case, you are facing difficulties in your export activity or have pending issues with the Customs or with the Regional office of the DGFT, Mumbai, **please send relevant details to the Council so that they could be taken up suitably for redressal**.

Oerlikon Barmag Introduces WINGS POY 1800

Germany-based Oerlikon Barmag, a member of Switzerland-based OC Oerlikon Management AG's Manmade Fibers segment, has introduced a new yarn winder in its Winding Integrated Godet Solution (WINGS) product line. According to the company, the new WINGS POY 1800 model winder offers a 20-percent increase in productivity compared to the previous-generation model while taking up no more space on the production floor. The productivity boost comes from the addition of technology to increase the total number of bobbins from 10 to 12 in the same amount of space.

Oerlikon Barmag reports it has sold some 14,000 WINGS POY units since they were first introduced in 2007. Yarns manufactured on the machine are suitable for apparel, tire cord, seat belts and technical textiles, among other applications.

R 35 SEMI-AUTOMATED ROTOR SPINNING MACHINE

The new R 35 semi automated rotor spinning machine by Rieter can have up to 460 positions, allows rotor speeds up to 120,000 rpm and delivery speed up to 200 m/min even at full machine length. Moreover, it allows setting of the winding width and edge displacement electronically by means of the big machine touch screen.

Rieter has also developed a new S 35 spin box for the R 35. The new design provides better spinning stability which has a positive effect on yarn strength and allows the use of low cost material blends. This results in better yarn evenness and less perfection.

Flexibility is provided with 2 transport belts for the yarn packages and independent drives for both machine sides. 2 lots on one machine are possible as well as lot change on one machine side while spinning on the other.

The new R 25 offers low working height with good accessibility. This reduces the risk that faults remain on the yarn packages and efficiency as well as yarn quality would suffer.

Toyota introduces new air jet loom

Toyota Industries Corp., Japan has made the first model change in 10 years to its air jet loom, the main product of its textile machinery business.

Production of the new product, the JAT810 was launched in August 2013. This new machine is successor to the JAT710 which was first marketed in 2003. The JAT 810 has been comprehensively designed for greater energy savings, higher productivity and improved ease of use. The new weft insertion system produces a 20% reduction in air consumption compared to the previous model.

High Tech Yarns for Technical Textiles

Schappe Techniques, France produces high performance technical fibers (p-aramids, m-aramids, PE-HMW, carbon, etc.) converts ‘filaments’ in staple fibres by using a stretch breaking technology which was developed in-house in the 1950s. Basically, the continuous thread filaments are stretched until they break. This is done to eliminate their weak point and give them new strength properties. The yarns can be made of a single material of a blend with other fibres, which provide additional characteristics. These high tech products are used for very specific applications and in niche markets e.g. personal protection (mechanical and thermal) sealing, rubber reinforcements, technical sewing thread and composites.

Schappe has also presented fibre yarns made from Dyneema and Diamond fibres with the aim of providing manufactures of protective gloves with thread that combines the comfort and flexibility of spun yarn with improved cut-resistant performance.

A new range of aramid technical sewing thread for making protective clothing combining the performance of staple fibres, which is significantly more effective than short fibres, at a reasonable price.

Schappe also has manufactured a new technical sewing threads based on Black Twaron solution dyed p-aramid fibre. The extended TPFI range of carbon pre-impregnated thermoplastic yarns and textures is enriched with the PEI matrix (polyetherimide high performance polymer particularly in terms of fire/ smoke behavior, widely used in aeronautics). To meet the demand for special sewing thread, a range of continuous and stretch-broken carbon filament threads has been developed – the evolution of a product whose use is qualified for Boeing.

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DGFT

Amendment in Para 9.28 of Foreign Trade Policy, 2009-2014

Notification No. 58 (RE-2013)/2009-2014 dated 18th December, 2013

In exercise of powers conferred under Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 read with paragraph 1.3 of the Foreign Trade Policy, 2009-2014, as amended from time to time, the Central Government hereby notifies the following amendment in the Para 9.28 of Foreign Trade Policy, 2009-2014:

2. The definition of "Group Company" in Para 9.28 of Foreign Trade Policy, 2009-2014 is amended to read as under:

   "Group Company" means two or more enterprises which, directly or indirectly, are in a position to:-

http://dgft.gov.in/Exim/2000/NOT/NOT13/not5813.htm

Amendment in the procedure for issue of Registration Certificates (RCs) for export of various commodities

Notification No. 63 (RE-2013)/2009-14 dated 3 January, 2014

In exercise of the powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) read with Para 1.3 of the Foreign Trade Policy, 2009-14, the Central Government hereby amends the procedure for issue of Registration Certificates (RCs) for export of various commodities viz. Cotton, cotton yarn etc.

2. There are certain commodities for which online registration procedure has been prescribed for export. This was made mandatory with effect from 1st July, 2013. After filing online applications, exporters are required to furnish printout of the application submitted online alongwith hard copies of Letter of Credit [L/C] or Foreign Inward Remittance Certificate [FIRC] or copy of proof of Advance Payment, as applicable and export contract.

http://dgft.gov.in/Exim/2000/NOT/NOT13/not6313.htm

Amendments in Chapter 3 of Foreign Trade Policy 2009-14

Notification No. 64 (RE-2013)/2009-2014 dated 6th January, 2014

In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 read with Para 1.3 of the Foreign Trade Policy, 2009-2014, the Central Government hereby makes the following amendments in the Foreign Trade Policy (FTP) 2009-14 with immediate effect:

2. Para 3.17.11of FTP 2009-14 is amended [Portion being added has been marked in bold letters] to be read as under:

   "3.17.11: Duty Credit Scrip can be utilised / debited for payment of Custom Duties in case of EO defaults for Authorizations issued under Chapters 4 and 5 of this Policy. However, penalty / interest shall be required to be paid in cash.

http://dgft.gov.in/Exim/2000/NOT/NOT13/not6413.htm

EDI Procedure for claiming benefits in respect of Third Party exports

Public Notice No. 46/2009-2014 (RE- 2013) dated 8th January, 2014

In exercise of the powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-14, the Director General of Foreign Trade hereby introduces two new Paragraphs 9.14 & 9.15 in the Handbook of Procedures (Vol. I) 2009-14 for claiming benefit of Third Party exports under EDI system and for conversion of currencies into US$ with immediate effect as under:

2. These two new Paras 9.14 & 9.15 would read as under:

*"**9.14** For claiming benefits under EDI system in respect of Third Party exports the process will be initiated by the First party who will link shipping bills and BRCs to repository. If the First Party chooses not to claim benefit for a particular shipping bill item/s, it may authorize Third Party to claim benefit for such shipping bill item/s. After such authorization by First party, Third Party will be able to utilize the shipping bill item/s in its application".*

http://dgft.gov.in/Exim/2000/PN/PN13/pn4613.htm

Processing of claims where an exporter gets payment by Insurance Agencies (not through banks).

Public Notice No. 47 / 2009-2014 (RE- 2013) dated 8th January, 2014

In exercise of the powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-14, the Director General of Foreign Trade hereby makes the following amendment in paragraph 2.25.2 of the Handbook of Procedures (Vol. I) 2009-14 with immediate effect:

2. After para 2.25.2 of HBP (Vol. I) two new sub para 2.25.2 (a) & (b) are being added. The new Paras shall read as under:

"2.25.2*(a) An applicant realizing export proceeds through Insurance Agency will approach the concerned RA with the proof of payment issued by the concerned Insurance Agency. RA after satisfying itself of the bona fide of the claim, will obtain approval of Additional DGFT (EDI) and then will upload the value (in lieu of eBRC value) in EDI system of DGFT for processing of the case.*

http://dgft.gov.in/Exim/2000/PN/PN13/pn4713.htm

Amendment in Para 5.3.1 of Handbook of Procedure Vol.I, 2009-2014.

Public Notice No. 48/2009-2014 (RE- 2013) dated 10th January, 2014

In exercise of powers conferred under paragraph 2.4 of the Foreign Trade Policy 2009-2014, the Director General of Foreign Trade hereby makes the following amendment in sub-para (a) of para 5.3.1 of the Handbook of Procedure Vol.I, 2009-2014:

2. Existing sub-para (a) of para 5.3.1 shall be replaced and the amended sub-para shall read as under (new sentence being added at the end of the para is in bold letters for easy reference):

"(a) Authorization holder shall produce to the concerned RA a certificate from the Jurisdictional Central Excise Authority, confirming installation of Capital Goods at factory/premises of authorization holder or his supporting manufacturer(s)/vendor(s) within six months from date of completion of import.

http://dgft.gov.in/Exim/2000/PN/PN13/pn4813.htm

Inviting Suggestions on import of power generating equipment under EPCG Scheme

Trade Notice No. 08/2013, dated 17th December, 2013

Notification No. 7 dated 18.4.2013 disallows import of captive power plants and power generator sets under Export Promotion Capital Goods (EPCG) scheme with effect from 18th April, 2013.

2. Representations have been received from trade and industry that uninterrupted supply of quality power at competitive rates is essential for production activities and maintaining export competitiveness. Import of capital goods under EPCG scheme at concessional duty reduces the overall cost of setting up of a power plant which in turn reduces the cost of power and ensures uninterrupted power supply. Their representation, accordingly, pleads for import of power generating equipment under the EPCG scheme.

http://dgft.gov.in/Exim/2000/TN/TN13/tn_08_2013.htm

OFFICE OF THE ADDL. DGFT, MUMBAI

IEC Assistance Cell to assist the exporters in filing IEC applications

Trade Notice No. 3 dated 18th December, 2013

In order to facilitate trade and cut down processing time delays that occur due to deficiencies which are there in the IEC applications or their supporting documents, it has been decided to create an IEC Assistance Cell at the IEC counter which shall do the preliminary scrutiny of the IEC applications when the same are submitted at the counter. Whenever an IEC application is received at the IEC Counter, the IEC Assistance Cell shall verify, on the spot, the application and the supporting documents therein. If there is a deficiency in the application/supporting documents, the same shall be intimated to the applicant on the spot, by making a noting in the side margin of the application and the application along with the supporting documents shall be returned to the applicant. Such applications, therefore, would not be recorded as 'Received' in the office. Only if the application is found complete in all respects, including the documents submitted, the IEC application will be accepted in this office and acknowledgement regarding the same shall be given to the applicant.

http://dgft.gov.in/dgftmumbai/html/trmum/FY14/TN0314.pdf

Indication of specific (not generic) name/description of all the inputs used in manufacturing of the goods presented for Export

Trade Notice No.4 Dated 27th December 2013.

Attention of all the members of trade and industry is invited to DGFT Notification No.31 dated 01.08.2013 vide which the DGFT has made an amendment in the FTP (2009-14) by inserting a new para 4.1.15 which stipulates that:

4.1.15- Wherever SION permits use of either (a) a generic input or (b) alternative inputs, unless the name of the specific input(s) [which has(have) been used in manufacturing the export product] gets indicated / endorsed in the relevant shipping bill and these inputs, so endorsed, match the description in the relevant bill of entry, the concerned Authorisation will not be redeemed. In other words, the name/description of the input used (or to be used) in the Authorisation must match exactly the name/description endorsed in the shipping bill. At the time of discharge of export obligation (EODC) or at the time of redemption, RA shall allow only those inputs which have been specifically indicated in the shipping bill.

http://dgft.gov.in/dgftmumbai/html/trmum/fy14/TN0414.pdf

CBEC- CUSTOMS

(Relevant extract of the Notification)

Amendment of Notification No. 10/2008-Customs, dated 15th January, 2008 so as to further deepen the tariff concessions in respect of goods covered under the Comprehensive Economic Cooperation Agreement (CECA) between India and Singapore.

Notification No. 50/2013-Customs dated 16th December, 2013

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 10/2008-Customs, dated the 15th January, 2008, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 33(E), dated the 15th January, 2008, namely:-

In the said notification, for the Table, the following Table shall be substituted, namely: -

“Table

S. No.	Tariff item of the First Schedule	Description of goods	Rate
(1)	(2)	(3)	(4)
248	54023100	All goods	2.22%
249	54023200	All goods	2.22%
250	54023300	All goods	1.67%
251	54024900	All goods	2.22%
252	54025100	All goods	2.22%
253	54041100	All goods	2.22%
254	55020010	All goods	0.00%
255	55020020	All goods	0.00%
256	55020090	All goods	0.00%

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-tarr2013/cs50-2013.htm

Amendment of Notification No.93/2009-Cus dated 11.09.2009 for adding additional categories in the list of exports not eligible under Focus Market Scheme and Incremental Export Incentive Scheme

Notification No. 52/2013-Customs dated 26th December, 2013.

In exercise of the powers conferred by sub section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 93/2009-Customs, dated the 11th September, 2009 published in the Gazette of India, Extraordinary Part-II, Section 3, subsection(i), vide number G.S.R. 659 (E), dated 11th September, 2009, namely:-

In the said notification,-

(a) in paragraph 2, after serial number (xv) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely:-

“(xvi) Export of Meat and Meat Products;

(xvii) Export of Cotton;

(xviii) Export of Cotton Yarn;

(xix) Export which are subject to Minimum Export Price or Export Duty.”;

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-tarr2013/cs52-2013.htm

(Relevant extract of the Notification)

Amendment of Notification No. 152/2009-Customs, dated 31-12-2009 (India-Korea CEPA)

Notification No. 54/ 2013 – Customs dated the 31st December, 2013

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.152/2009-Customs, dated the 31st December, 2009, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 943 (E), dated the 31st December, 2009, namely:-

In the said notification, for the Table, the following Table shall be substituted, namely:-

"TABLE

S. No.	Chapter, Heading, Sub-heading or Tariff Item	Description of goods	Rate
(1)	(2)	(3)	(4)
411	5401	All Goods	3.75
412	540232	All Goods	3.75
413	540251 to 540261	All Goods	3.75
414	540333 to 540339	All Goods	3.75
415	540342 to 540600	All Goods	3.75
416	540720 to 540741	All Goods	4.69
417	540751	All Goods	4.69
418	540753 to 540754	All Goods	4.69
419	540771 to 540781	All Goods	4.69
420	540784 to 540821	All Goods	4.69
421	540823 to 540824	All Goods	4.69
422	5501 to 5509 (except 550130, 550320, 550330 and 550410)	All Goods	3.75
423	5511	All Goods	3.75
424	551211 to 551319 (except 551219)	All Goods	4.69
425	551341 to 551419	All Goods	4.69
426	551421	All Goods	9.38
427	551422 to 551443	All Goods	4.69
428	551521 to 551591	All Goods	4.69
429	551611	All Goods	4.69
430	551613 to 551621	All Goods	4.69
431	551622	All Goods	9.38
432	551624 to 551694	All Goods	4.69
433	5601	All Goods	4.69
434	560221	All Goods	4.69

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-tarr2013/cs54-2013.htm

Notification No.55/ 2013 – Customs

dated 31st December, 2013

Amendment of Notification No. 69/2011-Customs, dated 29th July, 2011 (India-Japan CEPA)

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.69/2011-Customs dated the 29th July, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 593 (E), dated the 29th July, 2011, namely:-

In the said notification, in the Table,-

(a) against S. No. 521, for the entry in column (4), the entry "7.81" shall be substituted;

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-tarr2013/cs55-2013.htm

(Relevant extract of the Notification)

Amendment of Notification No. 53/2011-Customs, dated 1-7-2011 (India-Malaysia CECA)

Notification No. 56/ 2013 – Customs dated 31st December, 2013

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 53/2011-Customs, dated the 1st July, 2011 published in the Gazette of India, vide number G.S.R. 499 (E), dated the 1st July, 2011, namely:-

In the said notification, for the Table, the following shall be substituted, namely:-

"Table

S. No	Chapter, Heading, Sub-heading and Tariff item	Description	Rate (in percentage unless otherwise specified)
(1)	(2)	(3)	(4)
683	5401	All goods	3.0
684	540211 to 540219	All goods	6.0
685	540220	All goods	5.0
686	540231 to 540232	All goods	6.0
687	540233	All goods	5.0
688	540234 to 540239	All goods	6.0
689	540244	Elastomeric yarn of Nylon or other polyamides, untwisted or with a twist <= 50 turns per mtr. single	6.0
690	540244	Elastomeric other yarn (other than of nylon or other polyamides or of polyester), single, untwisted or with a twist not exceeding 50 turns per mtr.	3.0
691	54024400	Elastomeric yarn of polyesters	0.0
692	54024500	All goods	6.0
693	54024600	All goods	6.0
694	54024700	All goods	6.0
695	540248 to 540249	All goods	3.0
696	540251	All goods	6.0
697	540252	All goods	5.0
698	540259 to 540261	All goods	6.0
699	540262	All goods	5.0
700	540269	All goods	6.0
701	5403	All goods	0.0
702	540411 to 540419	All goods	6.0
703	540490	All goods	3.0
704	5405	All goods	0.0
705	54060010	All goods	3.0
706	54060020	All goods	0.0
707	54071016	All goods	6.0
708	54071026	All goods	6.0

S. No	Chapter, Heading, Sub-heading and Tariff item	Description	Rate (in percentage unless otherwise specified)
(1)	(2)	(3)	(4)
709	54071036	All goods	6.0
710	54071046	All goods	6.0
711	54071096	All goods	6.0
712	540720 to 540730	All goods	0.0
713	540741 to 540742	All goods	3.0
714	540743	All goods	6.0
715	540744 to 540752	All goods	3.0
716	540753	All goods	6.0
717	540754 to 540772	All goods	3.0
718	540773	All goods	6.0
719	540774 to 540781	All goods	3.0
720	540783	All goods	6.0
721	540784	All goods	0.0
722	540791 to 540792	All goods	3.0
723	540793	All goods	6.0
724	540794 to 540822	All goods	3.0
725	540823	All goods	6.0
726	540824 to 540832	All goods	3.0
727	540833	All goods	6.0
728	540834	All goods	3.0

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-tarr2013/cs56-2013.htm

(Relevant extract of the Notification)

Amendment of Notification No. 46/2011-Customs, dated 01-06-2011 (India-ASEAN FTA)

Notification No. 57/ 2013 – Customs dated 31st December, 2013

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.46/2011-Customs, dated the 1st June, 2011 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 423 (E), dated the 1st June, 2011, namely:-

In the said notification, for the Table, the following Table shall be substituted, namely:-

"Table

S. No.	Chapter, Heading, Sub-heading and Tariff item	Description	Rate (in percentage unless otherwise specified)	
(1)	(2)	(3)	(4)	(5)
651	5401	All Goods	3.0	7.0
652	540211 to 540219	All Goods	6.0	7.0
653	540220	All Goods	5.0	7.0

S. No.	Chapter, Heading, Sub-heading and Tariff item	Description	Rate (in percentage unless otherwise specified)	
(1)	(2)	(3)	(4)	(5)
654	540231 to 540232	All Goods	6.0	7.0
655	540233	All Goods	5.0	7.0
656	540234 to 540239	All Goods	6.0	7.0
657	540244	Elastomeric yarn of Nylon or other polyamides, untwisted or with a twist <= 50 turns per mtr. single	6.0	7.0
658	540244	Elastomeric other yarn (other than of nylon or other polyamides or of polyester), single, untwisted or with a twist not exceeding 50 turns per mtr.	3.0	7.0
659	540245	All Goods	6.0	7.0
660	540248 to 540249	All Goods	3.0	7.0
661	540251	All Goods	6.0	7.0
662	540252	All Goods	5.0	7.0
663	540259 to 540261	All Goods	6.0	7.0
664	540262	All Goods	5.0	7.0
665	540269	All Goods	6.0	7.0
666	5403	All Goods	0.0	5.0
667	540411 to 540419	All Goods	6.0	7.0
668	540490	All Goods	3.0	7.0
669	5405	All Goods	0.0	5.0
670	54060010	All Goods	3.0	7.0
671	54060020	All Goods	0.0	5.0
672	540720 to 540730	All Goods	0.0	5.0
673	540741 to 540742	All Goods	3.0	7.0
674	540743	All Goods	6.0	7.0
675	540744 to 540752	All Goods	3.0	7.0
676	540753	All Goods	6.0	7.0
677	540754 to 540772	All Goods	3.0	7.0
678	540773	All Goods	6.0	7.0
679	540774 to 540781	All Goods	3.0	7.0
680	540783	All Goods	6.0	7.0
681	540784	All Goods	0.0	5.0
682	540791 to 540792	All Goods	3.0	7.0
683	540793	All Goods	6.0	7.0
684	540794 to 540822	All Goods	3.0	7.0
685	540823	All Goods	6.0	7.0
686	540824 to 540832	All Goods	3.0	7.0
687	540833	All Goods	6.0	7.0
688	540834	All Goods	3.0	7.0

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-tarr2013/cs57-2013.htm

Seeks to revoke the imposition of anti-dumping duty on import of Polypropylene, originating in or exported from Oman.

Notification No. 32/2013-Customs (ADD) dated 2nd December, 2013

In exercise of the powers conferred by sub-section (1) read with sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975), the Central Government hereby further amends notification No. 119/2010-Customs, dated 19th November, 2010, published in the Gazette of India, Extraordinary, Part-II, section 3, subsection (i), vide number G.S.R. 919 (E) dated 19th November, 2010, in so far as it relates to the imposition of anti-dumping duty and as such, revokes the duty imposed on imports of the subject goods originating in or exported from Oman, and for that purpose amends the Table to the said notification, in the manner given below, namely;-

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-add2013/csadd-32-2013.htm

Exemption from Special Additional Duty of Customs (SAD) on goods cleared from the SEZ / FTWZ into the DTA – Clarification – Regarding.

Circular No. 44/2013 – Customs dated 30th December, 2013

It has been brought to the notice of the Board that varying practices are being followed by the field formations regarding exemption from SAD on goods cleared from SEZs / Free Trade Warehousing Zones (FTWZ) into the DTA under notification No.45/2005-Customs, dated 16.05.2005. The issue raised is whether the benefit of exemption from SAD under this notification would be available when a DTA unit imports goods and routes it through SEZ / FTWZ for self-consumption i.e. in the nature of stock transfer from SEZ / FTWZ.

2. The matter has been examined by the Ministry. Notification No. 45/2005-Customs, dated 16.05.2005 exempts from SAD goods cleared from SEZ / FTWZ and brought into DTA.

http://www.cbec.gov.in/customs/cs-circulars/cs-circ13/circ44-2013-cs.htm

Regarding Handling of Cargo in Customs Area Regulations, (HCCAR) 2009

Circular No. 45 /2013 – Customs dated 31st December, 2013

Attention is invited to Regulation 6(2) of the “Handling of Cargo in Customs Area Regulations, (HCCAR) 2009” which stipulates the following requirement:

“The Customs Cargo Service provider approved for custody of imported or export goods and for handling of such goods shall not lease, gift, sell or sublet or in any other manner transfer any of the premises in a customs area; or sub contract or outsource functions permitted or required to be carried out by him in terms of these regulations to any other person, without the written permission of the Commissioner of Customs.”

http://www.cbec.gov.in/customs/cs-circulars/cs-circ13/circ45-2013-cs.htm

CBEC-CENTRAL EXCISE

Amendment of Notification No. 30/2012-Cen Excise dated 09.07.2012 for adding additional categories in the list of exports not eligible under Focus Market Scheme and Incremental Export Incentive Scheme

Notification No. 31/2013-Central Excise dated 26th December, 2013

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) and sub-section (3) of section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 30/2012-Central Excise, dated the 9th July, 2012, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i), vide number G.S.R. 542 (E), dated the 9th July, 2012, namely:-

In the said notification, in paragraph 2, in condition (a),-

(a) in the first proviso, after serial number (xv) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely:-

"(xvi) Export of Meat and Meat Products;

(xvii) Export of Cotton;

(xviii) Export of Cotton Yarn;

(xix) Export which are subject to Minimum Export Price or Export Duty:";

http://www.cbec.gov.in/excise/cx-act/notfns-2013/cx-tarr2013/ce31-2013.htm

Central Excise (Second Amendment) Rules, 2013 for reduction of threshold limit for mandatory e-payment of Central Excise duty to Rupees One lakh

Notification No. 15/2013 – Central Excise (N.T.) dated 22nd November, 2013

In exercise of the powers conferred by section 37 of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following rules to further amend the Central Excise Rules, 2002, namely:-

1. (1) These rules may be called the Central Excise (Second Amendment) Rules, 2013.

   (2) They shall come into force with effect from the 1st day of January, 2014.

http://www.cbec.gov.in/excise/cx-act/notfns-2013/cx-nt2013/cent15-2013.htm

Central Excise (Third Amendment) Rules, 2013

Notification No. 17 /2013 – Central Excise (N.T.) dated 31th December, 2013

In exercise of the powers conferred by section 37 of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following rules further to amend the Central Excise Rules, 2002, namely:-

1. (1) These rules may be called the Central Excise (Third Amendment) Rules, 2013.

   (2) They shall come into force with effect from the 1st day of March, 2014.

http://www.cbec.gov.in/excise/cx-act/notfns-2013/cx-nt2013/cent17-2013.htm

CENVAT Credit (Third Amendment) Rules, 2013

Notification No. 18 /2013-Central Excise (N.T.) dated 31th December, 2013

In exercise of the powers conferred by section 37 of the Central Excise Act, 1944 (1 of 1944) and section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely:-

1. (1) These rules may be called the CENVAT Credit (Third Amendment) Rules, 2013.

   (2) They shall come into force with effect from the 1st day of March, 2014.

http://www.cbec.gov.in/excise/cx-act/notfns-2013/cx-nt2013/cent18-2013.htm

Availability of excise duty exemption to the units which have already availed of exemption under New Industrial Policy for another 10 years by way of 2nd substantial expansion in the State of Jammu & Kashmir – Clarification – Regarding.

Circular No.977/01/2014 dated 3rd January, 2014

Representations have been received from trade and industry associations and field formations seeking clarification as to whether an existing unit which has availed of excise duty exemption under notification No.56/2002-CE & 57/2002-CE, both dated 14.11.2002 by way of substantial expansion can avail of excise duty exemption under notification No.1/2010-CE, dated 06.02.2010, again by way of second substantial expansion.

2. The matter has been examined by the Ministry. In pursuance of the New Industrial Policy and other concessions for the State of J&K announced by the Department of Industrial Policy and Promotion (DIPP) in June 2002, notification No.56/2002-CE (location specific exemption to all goods other than the exclusion list) & No.57/2002-CE (non-location specific exemption to specified industries other than the exclusion list), both dated 14.11.2002 were issued to provide exemption from excise duty equivalent to the duty payable on value addition undertaken in the manufacture of the goods to the new units and units undertaking

substantial expansion, for a period of ten years from the date of commencement of commercial production. The exemption operates through a refund mechanism.

http://www.cbec.gov.in/excise/cx-circulars/cx-circ14/977-2014cx.htm

Levy of the Education Cess and the Secondary and Higher Education Cess on other cesses-reg.

Circular No.978/2/2014-CX dated 7th January, 2014

Attention is invited to Circular No. 345/2/2004-TRU (Pt.) dated 10th August, 2004, in which it was clarified that the Education Cess chargeable under Section 93(1) of the Finance (No.2) Act, 2004 is to be calculated by taking into account only such duties which are both levied and collected by the Department of Revenue.

2. Representations have been received from trade and field formations seeking clarification as to whether the Education Cess chargeable under Section 93(1) of the Finance (No.2) Act, 2004 and the Secondary and Higher Education Cess chargeable under Section 138(1) of the Finance Act, 2007 should be calculated taking into account the cesses which are collected by the Department of Revenue but levied under an Act which is administered by different departments such as Sugar Cess levied under Sugar Cess Act, 1982, Tea Cess levied under Tea Act, 1953 etc.

http://www.cbec.gov.in/excise/cx-circulars/cx-circ14/978-2014cx.htm

CBEC - SERVICE TAX

Amendment of notification No. 06/2013-ST dated 18.04.2013 for adding additional categories in the list of exports not eligible under Focus Market Scheme and Incremental Export Incentive Scheme

Notification No. 17/2013-Service Tax dated 26th December, 2013.

In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 6/2013-Service Tax, dated the 18th April, 2013 published in the Gazette of India, Extraordinary Part-II, Section 3, subsection(i), vide number G.S.R. 254 (E), dated 18th April, 2013, namely:-

In the said notification, in paragraph 3, in condition (a),-

(a) in the first proviso, after serial number (xv) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely,-

“(xvi) Export of Meat and Meat Products;

(xvii) Export of Cotton;

(xviii) Export of Cotton Yarn;

(xix) Export which are subject to Minimum Export Price or Export Duty:”;

http://www.servicetax.gov.in/notifications/notfns-2013/st17-2013.htm

JNPT CUSTOMS

Implementation of Risk Management System in Export-Reg.

Public Notice No. 42 /2013 dated 13th December, 2013

1. In course of implementation of RMS (Export), it is observed that at the time of filing Shipping Bills full details are either not being furnished by the exporters/CHA on submission stage or the data is entered in inappropriate field. Some instances are cited below:
   i. Exporters are not providing information whether the consignment is factory stuffed or otherwise, if yes, what is the Seal type i. e whether authorized /Self/Warehouse (A/S/W) or whether examined by Central Excise officer or otherwise, at submission stage, though a specific field is available in the declaration.

http://www.webmaxtechnologies.net/jnch/index.php/public-notices/public-notices-for-2013/public-notice-no-42-2013

Declaration of CFS for FCL cargo at the time of assessment – Regarding.

Public Notice No. 43/2013 dated 19th December, 2013

1. The existing procedure of export assessment and examination at JNCH has been reviewed.
2. In order to ensure better regulation over exports as well as to minimize the instances of dispute in assessment and examination of the export goods, it has been decided that henceforth, in case of FCL cargo, exporters shall be required to manually declare the CFS where the goods shall be carted on the hard copy of the check-list of shipping bills at the time of assessment.

http://www.webmaxtechnologies.net/jnch/index.php/public-notices/public-notices-for-2013/public-notice-no-43-2013

Exemption from Special Additional Duty of Customs (SAD) on goods cleared from the SEZ / FTWZ into the DTA – Clarification – Regarding.

Public Notice No. 1 / 2014 dated 3rd January, 2014

1. It has been brought to the notice of the Board (CBEC) that varying practices are being followed by the field formations regarding exemption from SAD on goods cleared from SEZs / Free Trade Warehousing Zones (FTWZ) into the DTA under notification No.45/2005-Customs, dated 16.05.2005. The issue raised is whether the benefit of exemption from SAD under this notification would be available when a DTA unit imports goods and routes it through SEZ / FTWZ for self-consumption i.e. in the nature of stock transfer from SEZ / FTWZ.
2. The matter has been examined by the Ministry. Notification No. 45/2005-Customs, dated 16.05.2005 exempts from SAD goods cleared from SEZ / FTWZ and brought into DTA. The notification clearly states that the exemption shall not be available if such goods, when sold in DTA, are exempt from payment of sales tax / VAT. Prior to the issue of notification, it was brought to the notice of the Ministry that in some States sales tax is exempted in respect of DTA clearances by SEZ units. Further, in certain cases, such as stock transfer of goods from an SEZ unit to its unit in the DTA, no sales tax is levied. Hence, a condition was imposed that the exemption from SAD would be available only if such goods, when sold in the DTA, are not exempted from VAT/ sales tax. The intention was to avoid double taxation.

http://www.webmaxtechnologies.net/jnch/index.php/public-notices/public-notices-for-2014/public-notice-no-1-2014

Option to close cases of default in Export Obligation (EO) – Notification No. 46/2013-Customs dated 26.9.2013

Standing Order No: 19 /2013 dated 16th December, 2013

1. The Ministry has issued Notification No. 46/2013-Customs dated 26.9.2013 to amend 36 Customs notifications pertaining to Advance License/DEEC/ Advance Authorization/DFIA/ EPCG relating to the Policy periods from 1992-1997 to 2004-2009. This is to implement the Public Notice No. 22 (RE-2013)/2009-2014 dated 12.8.13 notified by DGFT that has provided a procedure, under category of regularization of bona fide defaults, in which all pending cases of the default in meeting EO may be regularized by the authorization holder on payment of applicable customs duty, corresponding to the shortfall in export obligation, along with interest on such customs duty, but the interest to be so paid, under this option, shall not exceed the amount of customs duty payable for the default. The authorization holder choosing to avail this procedure must complete the process of payment on or before 31.3.2014.

http://www.webmaxtechnologies.net/jnch/index.php/standing-orders/standing-orders-for-2013/standing-order-no-19-2013

SAHAR AIR CARGO CUSTOMS

Implementation of Risk Management System in Export-reg.

Public Notice No. 31/ 2013 dated 23rd December, 2013

Attention of all Exporters, Customs House Agent and members of the Trade is invited to the implementation of Risk Management System in Export.

1. During the course of implementation of RMS (Export), it has been observed that at the time of filing shipping bills, full details are either not being furnished by the exporters / CHA at submission stage or the data is entered in inappropriate field. Some instances are cited below:

i. Exporters are not providing information at the submission stage whether the consignment is factory stuffed or otherwise, if yes, what is the seal type [i.e. whether authorized / self / warehouse (A/S/W)] or whether the consignment has been examined by Central Excise off icer (or otherwise), though a specific field is available in the declaration.

ii. Exporters are not providing information about claim of benefit under Chapter 3 of FTP i.e. SFIS, VKGUY, FMS, FPS, in specified column of shipping bills though a specific field, namely 'Whether export under Reward Scheme', is available in the declaration. It is also observed that in many cases this intention of claim is mentioned in the wrong filed i.e. as part of Description or under Invoice Detail.

http://www.accmumbai.gov.in/aircargo/miscellaneous/public_notices/2013/PN_31.pdf

Filing of manual Bills of Entry

Facility Notice No. 01 /2014 dated 16th January, 2014

Attention of all Importers, CHAs and others concerned is invited to Facility Notice No. 2/2012 dated 11.01.2012 regarding filing of manual Bills of Entry under the notifications as mentioned therein.

2. It has been noticed that some of the Export incentive schemes/Licenses are not available in ICES 1.5 as of now and as such they have to be filed manually only. Obtaining requisite permissions causes avoidable delay for the importers. Therefore, it has been decided that, in supersession of Facility Notice No.2/2012 dated 11.01.2012, request for manual bills of entry in respect of the following schemes be permitted with the approval of AC/DC, EDI Section, ACC:

   (i) Annual EPCG Licence (Zero Duty and 3% duty).

   (ii) Annual DEEC Licence.

http://www.accmumbai.gov.in/aircargo/miscellaneous/facility_notices/2014/Facility%20Notice012014.pdf

OFFICE OF TEXTILE COMMISSIONER, MUMBAI

Last opportunity for online submission of data on Committed Liabilities in respect of List II & Left-out Cases

The Office of the Textile Commissioner has issued two Office Memorandums (OMs) which are as follows:

(1) **Office Memorandum No. 50(5)/2014-CL/MS/ dated 02.01.2014 regarding Revised Committed liability for List-II cases as approved by the IMSC Under Modified TUFS.**

According to this Memorandum the Lending Agencies have to furnish correct data on committed liability in respect of List-II cases (cases already approved by the Inter Ministerial Steering Committee) under Modified TUFS, in order to give a one time opportunity to rectify the mistakes in the committed liability data submitted by the Lending Agencies for the 12th Plan Period within a period of ten(10) days in the format prescribed. An online system for submission of the details will be uploaded shortly by 08/01/2014 on the official website of the Textile Commissioner's Office i.e. www.txcindia.gov.in.

(2) **Office Memorandum No.28(1)/2013-MS/ dated 02.01.2014 regarding Online Submissions of the details of eligible left-out cases (excluding Black-out period cases) under TUFS by the Lending Agencies.**

The Second Memorandum is in respect of the Lending Agencies for online submission of the details/data of eligible left-out cases (excluding Black-out period cases) under TUFS, including information on outstanding committed liabilities (case wise and year wise) from 2007 onwards, within a period of seven days in the format prescribed. An online system for submission of the details will be uploaded latest by 06/01/2014 on the official website of the Textile Commissioner's Office i.e. www.txcindia.gov.in.

Members who may have cases where the committed liabilities have been reported wrongly in List II cases or have eligible left-out cases, excluding black-out cases, are requested to follow up with their banks to ensure that the details are submitted online to the Textile Commissioner, strictly following the guidelines stated in the circulars.

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8th Cambodia Import-Export & One Province One Product Exhibition

(Continued from Page 1)

Products on display : The participants represented a cross section of the Indian synthetic and rayon textiles industry, with products ranging from suitings, shirtings, dress fabrics, furnishing fabrics of different varieties, yarn besides scarves, stoles, dupattas including heavy embroidered and beaded materials in the made-up categories.

Publicity & Promotion : The Council with the help of the Indian Chamber of Commerce (ICC) and in co-ordination with the Embassy made some additional arrangements for publicizing & promoting the participation of the member-companies in OPOP Exhibition by releasing advertisements in Newspapers, printing & distributing Exhibitors Brochures – containing the participants' profiles / products etc. Besides sending invitation to prospective Buyers / Agents, telemarketing and mass e-mailing were also resorted for inviting prospective Buyers to visit the member-exhibitors to discuss business during the Exhibition.

Response to the Exhibition : The outcome of the multi-product Exhibition produced mixed results. While some Representative of the participating member-companies felt that the kind of response they received from the Buyers in the Exhibition was a bit lukewarm, some other participants received good trade enquiries, which may be converted into orders shortly. It is learnt from the participants feedback that the total estimated value of these trade enquiries is US$ 1,16,000/-. Products for which business was discussed include shirtings, suitings, printed dress fabrics, rayon cholli etc.

Press Conference : To ensure a larger turnout at the Exhibition, Council organized a Press Conference on 16th December 2013. The Press Conference was attended by the local the Press and the Electronic media. The Ambassador of India to Cambodia, H.E. Shri. Dinesh K. Patnaik was present at the Press Conference and also briefed the media persons.

Networking Dinner : A "Networking Dinner" was organized by the Council on 16th December 2013 at Nagaworld Hotel in Phnom Penh on the occasion of the participation of the Council's member-companies in the OPOP 2013 in Phnom Penh. The objective of organizing the Dinner was to create a platform for facilitating informal interactions between the Executives of the SRTEPC participating companies in OPOP 2013, and their counterparts (Buyers) in Cambodia for forging mutually beneficial business relationships. Around 80 persons including Buyers, industry-heads, Govt. Officials and participating Exhibitors attended the programme. H.E. Shri. Dinesh K. Patnaik, Ambassador of India also attended the programme, which helped the member-participants to have fruitful discussions with some leading Buyers, who were specially invited by the Council in co-ordination with the Embassy of India & the Indian Chamber of Commerce (ICC) for exploring the possibilities of "Doing Business" with them.

Textile Market in Cambodia : Cambodia is a potential market for our products. Cambodia exports of garments has increased by a sharp 22% to **US$ 4.1 billion** during the first nine-months of the current year, compared to its exports of **US$ 3.44 billion** during the corresponding period of the last year, according to the data released by the Cambodian Ministry of Commerce. The leading markets for Cambodia apparels include Europe, Canada, Japan, South Korea and China. The Garment Sector is the main foreign exchange earner for Cambodia – accounting for about **80%** of the country's overall exports. Currently Cambodia, which has imported more than **US$ 3 billion** worth of textile raw materials during 2011-12, sources its requirements of textiles (mostly fabrics) from countries like China, South Korea, Japan, Thailand. It appeared from the discussion with visiting Buyers to our Exhibition & Dinner that most of the textile materials that are imported by Cambodia are of cotton & their blends.

There two separate "market-segments" in Cambodia for Indian MMF textile exporters - the **"Readymade Garment Sector",** where the materials (fabrics) required are of the European standard. In this sector the decision-makers are based in the EU, US, Japan, our exporters need to go through a standard process of follow-ups to get final approval from their Cambodian counterparts (Buyers), which normally takes some time to convert their enquiries into orders and **"Local textile market",** which consists of wholesalers & dealers to cater to the domestic requirements of textiles. The Cambodian buyers not aware of the Import/Export formalities and thus prefer that the sellers bring their products to their shops & take payments. The Vietnamese buyers are taking this opportunity by selling materials to local dealers in Cambodia with a 20% premium.

Cambodian Textile & Garment Industry :

The textile and garment industry in the Kingdom of Cambodia was established in 1993 when foreign investors set up manufacturing there. Over the past 20 years, the industry has grown tremendously and is now the largest foreign exchange earner in Cambodia and a significant contributor to its economy.

Garment production accounts for 16 percent of Cambodia's total gross domestic product (GDP) and employs 45 percent of its manufacturing workers - according to the South East Asia Textile Business Review. Garment and textile exports comprise 85 percent of the country's total exports, the Garment Manufacturers Association in Cambodia (GMAC) reports.

In 2011, Cambodia's textile and garment industry comprised more than 300 factories employing some 335,000 workers, of whom 91 percent were female, according to the Ministry of Commerce. The industry lacks a strong textile-manufacturing base, and operates largely in the final phases of garment production — mainly cut, sew and trim — and imports almost all of its fabrics, which are supplied mostly by China as well as other Asian countries.

The United States is the largest importer of Cambodian garments, followed by the European Union (EU). GMAC figures show that in 2011, Cambodia's garment exports to the United States were valued at approximately US$2.07 billion, representing 51 percent of its total garment exports and a 14-percent increase year-on-year; and garment exports to the EU were valued at approximately US$1.17 billion, representing 29 percent of its total garment exports and a 66-percent increase over 2012. Cambodia benefits from duty-free and quota-free access to the EU and the United States as well as to many other major world markets.

Future of the Cambodian Garment Industry :

Cambodia's textile and garment industry has weathered the economic storm, but it must make some changes to help it continue its upward climb and remain competitive in the global market.

The industry's dependence on fabric imports, foreign investment and export demand make it particularly vulnerable to global financial crises and rising raw material prices.

It has been suggested that the country take advantage of its abundance of bamboo forests by processing bamboo fiber into fabrics — which not only would decrease the cost of importing fabrics but also would add value to its garments.

Despite challenges, investment in Cambodia's textile and garment industry has increased: Data from the Council for the Development of Cambodia (CDC) indicate that Cambodia gained 40 new garment factories valued at US$239 million just in the first half

Overview of Council's stalls at the 8th Cambodia Import Export & One Province One Product Exhibition 2013 in Phnom Penh

of 2012. Prospects for the industry are good, with the Ministry of Commerce reporting that garment and textile exports in 2012 increased 14 percent year-on-year to total US$4.6 billion.

Exports of Indian MMF Textiles to Cambodia : Cambodia has emerged as a potential market for exporting Indian MMF textiles as per the statistics given below:

Value in US$ Mn.

MMF Textile Products	Import from World	Import from India	% Share of India
Fabrics	1700.15	8.31	0.49
Made-ups	110.45	0.00	0.00
Yarn	209.55	0.06	0.03
Fibre	6.16	0.00	0.00
Total	**2026.31**	**8.37**	**0.41**

- Total import of man-made fibre textiles by Cambodia in 2012 was more than US$ 2026 Million, of which US$ 1700.15 Million worth was fabrics, US$ 209.55 Million was Yarn, US$ 110.45 Million was Made-ups and US$ 6.16 Million was for fibre.
- However export of Indian MMF textiles to Cambodia during 2012 was US$ 8.37 Million accounting for 0.41% in total import of these textiles by Cambodia.
- Product share in the export basket of Indian MMF textiles to Cambodia was Fabrics 99% (US$ 8.31 Million), Yarn 1% (US$ 0.06 Million)
- Main countries Cambodia imported MMF textiles from were China, Hong Kong, Pakistan, Indonesia, etc.

Conclusion : India's synthetic and rayon textile exports, which stood at US$ 8.41 million in 2011-12 have grown to US$ 8.85 million in 2012-13. Participation in 8th Cambodia Import-Export & One Province One Product Exhibition has helped in creating awareness about the India as a reliable sourcing destination especially since with the rapidly modernizing and expanding Indian Man-made Fibre Textile Industry. The Exhibition is expected to provide a significant boost to the growing exports of Indian man-made fibre textiles to Cambodia.

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Buyers interacting with representatives of Council's member companies at the Networking Dinner

Postal Regn. No. MH/MR/South-354/2012-14

Posted at Mumbai Patrika Channel Sorting Office on 25th & 26th of every month

COUNCIL'S COMMUNICATIONS WITH MEMBERS

The Council has started sending all communications to its members through email to reduce the use of paper, leading to savings in costs and contributing to environmental protection. The relevant communications will also be updated on the Council's website. In this regard, you are requested to update your valid email id registered with the Council by visiting the following link http://srtepc.in/update.html and submit your consent. If you have already done so, please ignore this communication.

We would like to inform you that members who wish to receive the hard copies of the communications by courier / post will have to pay additional annual charges of ₹1123, including Service Tax.

If undelivered, return to :

The Synthetic & Rayon Textiles Export Promotion Council

Resham Bhavan, 78 Veer Nariman Road, Mumbai - 400 020.