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JOINT FUNCTION IN HONOUR OF SHRI A.B. JOSHI

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) in association with Confederation of Indian Textile Industry (CITI), The Cotton Textiles Export Promotion Council (Texprocil), The Apparel Export Promotion Council

Shri Rakesh Mehra, Chairman of the Council welcoming Shri A. B. Joshi with a bouquet of flowers

(AEPC) and The Clothing Manufacturers Association of India (CMAI) organized a Function in honour of Shri A.B. Joshi, former Textile Commissioner on 29th March, 2014 in Hotel Trident, Mumbai.

The function was attended by Shri Prem Malik, Chairman, CITI, Shri Rakesh Mehra, Chairman, SRTEPC, Shri Anil Rajavanshi, Vice Chairman, SRTEPC, Shri Manikam Ramasami, Chairman Texprocil, Shri Rahul Mehta, President CMAI, and former chairmen of SRTEPC & AEPC, Stalwarts of the textiles Industry along with the executive heads and the committee members of various Councils / Textiles Associations.

Shri Sunil Porwal, IAS, Principal Secretary Textiles, Govt. of Maharastra, Shri S. Balaraju, Joint Textile Commissioner were also present at the function.

Guardian of the Indian textiles Industry

Welcoming Shri Joshi, Shri Prem Malik, Chairman of the Confederation of Indian Textile Industry (CITI) highlighted the contribution made by Shri Joshi as a guardian of the Indian textiles Industry during a critical period. He added that Shri Joshi has always been available for the Meetings to discuss issues concerning the textile industry and has guided the Councils/Organisations on matters of the Textile industry.

Speaking about Shri Joshi, Shri Rakesh Mehra, Chairman, SRTEPC stated that Shri Joshi has always been a friend, philosopher and guide to the entire textile community. Shri Mehra remarked that Shri Joshi was always approachable and discussed issues with the stake holders of the textile industry to bring about amicable solutions. The SRTEPC Chairman said that Shri Joshi has given constant guidance and support to the Council and his presence at various Functions of the Council such as Annual General Meetings,

Chairmen/representatives of various Textile organizations presenting a memento on behalf of the textile industry to Shri A. B. Joshi

Shri A. B. Joshi speaking on the occasion

Export Award Functions, Committee Meetings, etc. were greatly encouraging to all members.

On the occasion Shri Manikam Ramasami, Chairman, Texprocil, Shri Premal Udani, former Chairman, AEPC, Shri Rahul Mehta, President, CMAI, Shri R.L Toshniwal, former Chairman, SRTEPC and other stalwarts of the Industry also spoke about Shri Joshi and appreciated the commendable services rendered by him to the textile Industry.

Textile Industry poised for take off

Shri A. B. Joshi acknowledged the whole hearted support given to him by textile Industry which he said was helpful in framing the right policies of the for development of the various sectors of the Textiles Industry. Shri Joshi expressed satisfaction that the textile industry has witnessed growth in all sphere during his tenure and hoped that this trend would continue. He further added that the textile sector is now fully fueled aircraft ready to take off, with a little push and conveyed his best wishes to the future of the textile industry.

Shri Joshi served as the Textile Commissioner with dedication for about five and half years advising

Shri A.B. Joshi seen with the Chairmen/representatives of various Textile Organizations at the Function

the Ministry of Textiles and extensively guided Industry for the development of the various sectors of the textiles industry. He was actively involved in the various export promotional programmes and other activities of the Councils and Textiles Associations

Shri A.B. Joshi, on completion of his tenure as the Textile Commissioner has been promoted to the post of Additional Secretary to Government of India, in the Ministry of Women and Child Welfare, New Delhi. We at the Council wish Shri Joshi all success in his new assignment.

Shri A.B. Joshi with Chairman/Committee members of the Council

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Editor: **EDASSERY LONAPPAN PAULO**

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Dear Member,

I am glad to inform you that the new financial year 2014-15 has commenced on a positive note with exports of MMF textiles showing signs of continued growth. Exports of MMF textiles for the period April-February 2013-14 was to the tune of US$ 5.21 billion showing a growth of 12% compared to the previous year. I am confident that we would be able to touch the export target of US$ 6 billion set for the year 2013-14. I thank all the members for their concerted efforts in ensuring growth of exports during these challenging times.

The improving economies of the US and the Euro zone augur well for the future. However, the withdrawal of GSP for India by the European Union has been a matter of concern; while our neighbouring countries like Pakistan and Bangladesh still enjoy duty free access. I have taken up this matter with the Government and has requested for grant of at least 5% under the Market Linked Focus Product Scheme (MLFPS) to EU or a suitable package to enable our member exporters to continue to export MMF textiles to EU. The appreciating rupee is also an area of concern as it is likely to make our exports uncompetitive especially as the Chinese currency is depreciating.

I am also glad to inform you that the Council in association with other textile EPCs/organizations like CITI, Texprocil, AEPC and CMAI jointly organized a Function in honour of Shri A. B. Joshi, former Textile Commissioner on 29th March 2014. Shri A. B. Joshi has been a friend, philosopher and guide to the entire textile community. Shri Joshi was always approachable and discussed issues with the stake holders of the textile industry to bring about amicable solutions. I would also like to take this opportunity to express my gratitude to Shri Joshi for his constant guidance and support to the Council and presence at the various Functions of the Council such as Annual General Meetings, Export Award Functions, Committee Meetings, etc. Shri Joshi has been promoted as the Additional Secretary to the Government of India in the Ministry of Women and Child Welfare, New Delhi. We wish him all success in his new assignment.

I am happy to note that members have been prompt in renewing their membership for the year 2014-15. However, if your company has not done so yet; kindly do send the renewal fees at the earliest to enable us serve you without any interruption.

With warm regards,

Yours sincerely,

RAKESH MEHRA
CHAIRMAN

USA

Imports of textile and apparel up 4.22% while exports by 3.99% in January 2014

The USA imported textiles and apparel worth US$ 9.017 billion in January 2014, registering an increase of 4.22 percent over imports of $8.652 billion made in the corresponding month last year, it has been reported.

With $3.682 billion worth of goods supply, China accounted for 39.85 percent share of all US textile and garment imports in the first month of the current year.

Segment-wise, the US apparel imports during the year were valued at $6.842 billion, while non-apparel imports stood at $2.175 billion.

In the apparel category, Vietnam's exports to the US jumped by 16.18 percent year-on-year to $784.544 million, whereas exports from India climbed 6.2 percent year-on-year to $291.302 million. However, the US clothing imports from Indonesia fell by 8.75 percent year-on-year to $455.812 million.

In the non-apparel category, Pakistan's exports to the US rose by 11.63 percent year-on-year to $152.039 million during the month, while India's exports grew by 10.8 percent to $274.741 million. However, the US imports from Japan and Canada dropped by sharp 17.84 percent and 17.07 percent, respectively, to $27.13 million and $61.817 million.

Of the total US textile and apparel imports of $9.017 billion, cotton products accounted for $4.47 billion, while man-made fibre (MMF) products were worth $4.088 billion, followed by $268.555 million of wool products and $189.536 million of products from silk and vegetable fibres.

Last year, the US textile and apparel imports increased by 3.76 percent year-on-year to $104.724 billion.

Meanwhile exports of textile and apparel from United States increased by 3.99 percent to $1.861 billion in January 2014, compared to exports of $1.79 billion made during the corresponding period of last year.

Category-wise, apparel exports rose marginally by 1.91 percent year-on-year to $437.174 million, while textile mill products jumped 4.65 percent year-on-year to $1.424 billion during the first month of the current year.

Among apparel, the highest growth of 126.78 percent was registered in exports of women's and girls' suits, whereas a maximum decline of 74.77 percent was seen in exports of jog and other athletic suits.

Among textile mill products, yarn exports grew the fastest by 9.12 percent year-on-year to $424.384 million, while fabric exports climbed 3.75 percent year-on-year to $719.487 million and made-up article exports increased marginally by 0.67 percent year-on-year to $280.751 million.

The exports of cotton broadwoven fabrics from the US increased by 11.36 percent year-on-year to $48.642 million, whereas man-made fibre (MMF) broadwoven fabric exports dipped 0.18 percent year-on-year to $86.809 million.

Country-wise, Mexico, Canada and China together accounted for more than half of the US textile and clothing exports in January 2014. The US supplied $499.245 million worth of textiles and apparel to Mexico during the month, followed by $405.808 million to Canada and $112.78 million to China.

In recent year, the US textile and clothing exports have been growing at a steady pace. They have grown from $19.752 billion in 2010 to $22.403 billion in 2011, $22.676 billion in 2012 and $23.66 billion in 2013.

VIETNAM

Exports of textile and clothing rise

The exports of garments and textiles from Vietnam surged 44.9 percent year-on-year in February 2014 to reach US$ 1.3 billion, it has been reported.

In the first two months of the current year, Vietnamese garment and textile exports earned $3.2 billion, showing a year-on-year growth of 30.1 percent.

According to the data, several clothing companies have signed export contracts to last them until third quarter of this year.

Vietnamese firms are expecting to bag more export orders this year due to economic recovery in developed countries and prospects of the signing of the trans-pacific partnership (TPP) agreement by June this year.

Last year, Vietnam's garment and fabric exports rose by 18.9 percent year-on-year to $17.946 billion. The country also exported fibre worth $2.1 billion during the year, registering a growth of 15.7 percent year-on-year.

It is learnt that this year, many companies are investing in Vietnamese textile and clothing sector.

Outlook bright for the textile and clothing industry

The Vietnamese garment and textile industry has grown at a healthy rate in the first quarter of the current year, and the outlook for the whole year is bright, it has been reported.

The Vietnamese garment and textile industry recorded its highest growth of 20.2 percent in the initial three months of 2014, compared to the growth rate of 4.9 percent for the entire industrial sector.

The exports of garment and textile from Vietnam also surged up by 21.9 percent to US$ 4.5 billion in the first quarter of the current year.

It is learnt that several apparel and textile producers had bagged enough orders to last until the end of the third quarter, while some companies have orders till the end of the year.

Meanwhile, in order to take benefit from the Trans-Pacific Partnership (TPP) and other trade agreements that are likely to be signed later this year, domestic textile and clothing producers have also increased their investments in fibre manufacturing, knitting, dyeing and apparel production.

The TPP has currently entered the final rounds of negotiations, is expected to reduce taxes on Vietnamese textiles and apparel while entering into any of the other 11 TPP member countries, including the US, Australia, Canada and Japan.

However, the TPP is likely to incorporate the ‘yarn forward’ principle, wherein Vietnamese garments made using yarn and fabric made only in any of the 12 TPP member countries would be able to enjoy lower tariffs for exporting to the other TPP members.

Currently, most of the yarn and fabric imported by Vietnam comes from China, which is not a member of the TPP. Hence, to take full advantage of the TPP, Vietnamese firms need to make heavy investments in textile manufacturing, processing and dyeing sectors.

PORTUGAL

Surge in textile and apparel exports during January 2014 making it best month in the last 12 years

In January 2014 Portuguese textile and apparel exports grew by 14 percent year-on-year to €411 million proving to be the best month in the last 12 years for textiles and clothing, it has been reported.

Exports from Portugal increased in all product categories, with exports of knitted garments growing at 18 percent year-on-year and exports of fabric increasing by 14 percent.

The exports of made-up textile articles, including home textiles, recorded a growth of 7 percent year-on-year, in January 2014.

The exports of textile raw materials from Portugal increased by 10 percent year-on-year, of which, the exports of synthetic or man-made fibres grew 19 percent, of special and tufted fabrics by about 17 percent, and of impregnated, coated or covered and other textiles for technical textiles by 11 percent, during the month.

Portugal’s textile and apparel exports to the EU rose by 16 percent year-on-year, with some countries showing remarkable growth, especially Austria, Poland and France where exports grew by 40.3 percent year-on-year, 36.6 percent and 29.2 percent, respectively.

It is learnt that Portugal’s textile and garment exports to Denmark, Sweden, the UK, the Netherlands, Spain and Germany also increased by 22.1 percent year-on-year, 21.4 percent, 20.2 percent, 18.9 percent, 15.2 percent and 10.2 percent, respectively.

In addition, Portuguese textile and clothing exports to Angola and China soared by 78 percent year-on-year and 44 percent, respectively.

In 2013, Portuguese textile and garment exports increased by 3.5 percent year-on-year to € 4.3 billion.

PAKISTAN

Textile profits rise

Pakistani textiles posted earnings growth of 26 percent in the six-month period ended December 31, 2013, it has been reported.

The growth was due to improved demand and stable yarn margins. The profits of the listed textile firms increased by 26 percent to reach ₹ 17.5 billion, while gross profits posted a growth of 14 percent to ₹ 39 billion in the first half of FY14.

The textile sector performed well in the first quarter of FY14 but then profits decline slightly by 0.3 percent in the second quarter of FY14 due to massive surge in the fuel and power costs and lesser textile exports in the second quarter of the current fiscal year.

It is learnt that the rupee appreciation, relatively less orders from China, import of increased quantity of Indian yarn to the country, disruption in the gas supply to the textile sector and materialisation of proposed 2 percent to 17 percent tax on exports of textile products may exert pressure on the profits of the textile sector going forward. However, recently awarded GSP Plus status from the EU and resultant surge in the local demand will likely to ease off this pressure to some extent.

Exports of textile and clothing up

The exports of textiles and apparel from Pakistan increased by 8.28 percent year-on-year in the first eight months of the financial year 2013-14 that began on July 1, it has been reported.

Pakistan exported textiles and garments worth US$ 9.155 billion in July-February 2013-14, compared to exports of $8.455 billion made during the corresponding period of 2012-13.

During the period Pakistan exported 92,386 tons of raw cotton valued at $163.077 million, compared to exports of 64,419 tons of raw cotton worth $108.002 million made during the same period in previous fiscal year, thus registering a sharp increase of 50.99 percent year-on-year.

In terms of value, exports of cotton cloth earned $1.879 billion for Pakistan in foreign exchange during the period, followed by knitwear, bed wear, cotton yarn and woven readymade garments which fetched $1.480 billion, $1.408 billion, $1.376 billion and $1.259 billion, respectively.

Meanwhile, Pakistan's textile imports increased by 2.92 percent year-on-year to $1.737 billion during July-February 2013-14 period. However, the imports of raw cotton witnessed a sharp 28.68 percent year-on-year decline and were valued at $395.386 million.

In the first eight months of 2013-14, Pakistan imported 141,612 tons of synthetic fibre valued at $278.591 million, while synthetic & artificial silk yarn imports were 154,243 tons valued at $394.216 million.

In February 2014, Pakistan exported textiles and clothing worth $1.131 billion, while it imported goods valued at $276.879 million.

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

JAPAN

Textile imports show a sharp rise

In January 2014, Japan imported 86.6161 billion yen of textile yarn and fabric, registering a sharp increase of 35.8 percent year-on-year, it has been reported.

Region-wise, Japan's textile yarn and fabric imports from Asia surged up by 39.4 percent year-on-year to 77.959 billion yen, during the month. Of this, China accounted for 50.984 billion yen, while the ASEAN countries contributed 15.419 billion yen, and the Middle East region 383 million yen.

Japan's yarn and fabric imports from the EU also grew by 23.1 percent year-on-year to 5.194 billion yen in the first month of the current year. However, the country's imports from the US dropped 6.1 percent year-on-year to 1.848 billion yen.

In January 2014, Japan exported 40.522 billion yen of textile yarn and fabric, showing a rise of 5 percent year-on-year, as per the data.

While Japan's textile yarn and fabric exports to the US increased by 29.3 percent year-on-year to 3.469 billion yen during the month, its exports to the EU rose by 22.2 percent year-on-year to 4.683 billion yen.

Japan supplied 28.458 billion yen worth of textile yarn and fabric to Asian countries, recording a growth of 1.4 percent year-on-year. Of this, exports to China decreased by 11.8 percent year-on-year to 11.572 billion yen, but exports to Asean nations increased by 15.4 percent year-on-year to 9.15 billion yen.

Last year, Japan's yarn and fabric imports grew at 19 percent year-on-year to 849.785 billion yen, while its exports increased by 6.9 percent year-on-year to 657.313 billion yen.

SPAIN

Textile and clothing exports increase by 8.3%

Textile and clothing exports from Spain amounted to €976.4 million in January 2014, registering a rise of 8.3 percent, compared to the same month last year, it has been reported.

According to the data on January 2014, the exports from the garment sub-sector totaled €670.1 million, indicating an increase of 6.7 percent, compared to the same month in 2013.

The textile and clothing exports from Spain accounted for 5.3 percent of the overall exports made from the country during the month of January.

Meanwhile, as per the data, textile and clothing imports to the country amounted to €1.35 billion during the month of January 2014, recording a surge 9.4 percent, compared to the same month last year.

Imports from the clothing sub-sector totaled €1.02 billion in January 2014, registering an increase of 7.6 percent, compared to the same month in 2013.

Textile and apparel imported by Spain during January 2014, accounted for 6.4 percent of the overall goods imported by the country during the month.

In 2013, Spain exported textile and clothing worth €12 billion, indicating a rise of 12.4 percent year-on-year, of which exports from the garments sub-sector totaled €8.6 billion, registering a surge of 15.4 percent compared to 2012.

Export of home textiles up by 16.7% in January 2014

Spain exported home textiles worth €79.97 million during the month of January 2014, registering a surge of 16.7 percent, it has been reported.

According to the January 2014 reports, Spain exported home textiles amounting to €79.97 million during the month of January, whereas the imports of home textiles totaled €97.15 million during the same month.

Imports of home textiles by Spain during January 2014 recorded a rise of 7.6 percent compared to the same month last year.

It is learnt that France was the main destination for exports of home textiles from the country, totaling €14.57 million, followed by Morocco with €10.7 million, Portugal with €9.1 million and Italy with €6.8 million.

The highest exports of home textiles were made from the Spanish autonomous community of Catalonia with exports amounting €32.21 million during the month of January 2014, followed by Valencia with €19.1 million, Galicia with €13.6 million and Madrid with €7.1 million.

According to data, Spain exported home textiles worth €916 million during 2013 registering an increase of 8.6 percent compared to 2012.

TURKEY

Export of textiles and raw materials rises by 10.4%

Textile and raw materials exports from Turkey, excluding apparel, during the month of February 2014, amounted to US$ 716.9 million, indicating a rise of 10.4 percent, compared to the same month last year, it has been reported.

According to the February 2014 data, Turkey exported textiles and raw materials worth $716.9 million during February, compared to the $649.4 million exports of textile and raw materials made during the same month last year.

Textile and raw material exports during February accounted for 5.9 percent of the overall exports made from Turkey during the month.

During the month of January 2014, the country exported textiles and raw materials worth $ 769.21 million, recording a rise of 12.8 percent compared to the same month in 2013. Textiles and raw materials exported during the month of January accounted for 6.4 percent of the overall exports made from Turkey during the month.

In 2013, Turkey exported textiles and raw materials worth $8.39 billion registering a rise of 7 percent year-on-year.

ETHIOPIA

Exports during the first six months of 2013-14 touch US$ 60 million

Ethiopia exported US$ 60 million worth of textiles and apparel during the first six months of the fiscal year 2013-14 that began on July 8, 2013, it has been reported. The exports were $15 million higher than the amount earned during the corresponding period of the previous fiscal year.

The Textile Industry Development Institute (TIDI) is supporting Ethiopian textile and clothing industries to realize the $1 billion target set for the sector during the Growth and Transformation Plan (GTP) period (2010-11 to 2014-15).

However, the performance of the Ethiopian textile and apparel exports during the first three years of GTP period is only $305 million, much below the $637 million envisaged during the period under the GTP.

In 2012-13, Ethiopian textile and clothing exports fetched US$ 99 million, which was much lower than the Government target of US$ 357 million for the financial year.

UKRAINE

Textiles and clothing sector to get tariff exemption in the EU market

Textiles and apparel from Ukraine are likely to get tariff exemption in the EU market from as early as May this year, it has been reported.

About 98 percent of the customs duties that Ukrainian goods exporters pay at EU borders would be removed if the proposal is backed by the full House in the first plenary of April 2014.

It is believed that the unilateral measure would boost Ukraine's struggling economy by saving its manufacturers and exporters €487 million a year.

This unilateral trade preference measure would not require Ukraine to reciprocate by removing its own customs duties on imports from the EU, but would require it not to raise them.

However, EU imports from Ukraine would still have to comply with EU rules on origin labelling and the Ukrainian authorities would have to ensure that third country goods do not enter the EU via Ukraine, disguised as Ukrainian products.

The proposal also includes a "safeguard clause" which entitles the EU right to reimpose tariffs if imports from Ukraine flood the EU market in volumes that cause or threaten to cause serious difficulties to EU producers of the same goods.

The trade preference measure would apply from the date when it is finally approved until November 1, 2014, or until the EU-Ukraine association agreement, including a deep and comprehensive trade deal, enters into force. In effect, the measure would give Ukraine the same terms of access to the EU market as it would have under the full trade deal.

SRI LANKA

Exports of textile and garment up 23.4% in January 2014

The exports of textile and garment from Sri Lanka surged by 23.4 percent year-on-year in the first month of 2014, according to reports.

Textiles and garments, which is the main contributor to the growth in industrial exports from Sri Lanka, grew by 23.4 percent to US$ 412 million in January 2014, compared to exports of $333.9 million made during the same month last year.

The EU and the US continued to be the major markets for textiles and garments of Sri Lanka, representing around 85 percent of total garment exports during the month.

It is learnt that a notable increase of 38.3 percent in exports of textiles and garments to non-traditional markets, reflecting greater diversification of markets in the industry.

Despite the strong growth in textiles and garment exports, imported inputs into the industry declined by 4.7 percent to $193.6 million during the period under review, as against imports of $203.2 million made during the corresponding month of 2013.

In 2013, Sri Lanka's earnings from textile and garment exports grew by 13 percent year-on-year to $4.508 billion, while its value of imports declined by 9.7 percent year-on-year to $2.045 billion.

PERU

Textile and clothing exports touch US$ 130 million during January 2014

Textile and clothing exports from Peru totaled US$ 130 million during the month of January 2014, registering a rise of 2.8 percent, compared to the same month in 2013, it has been reported.

Peruvian exports of textile and apparel grew during the month of January after 14 months of decline, and exports from the sector are expected to have better prospects during the year.

The US and Venezuela were the main destinations for exports of Peruvian apparel and textiles, with Venezuela accounting for 62.2 percent and US accounting for 15 percent of the overall textile and clothing exports from the country during the month.

Last year, Peru exported textiles and clothing worth $2 billion, of which clothing shipments totaled $1.6 billion, accounting for 80 percent of the total textile and apparel exports from the country.

The US was the main destination for exports of Peruvian textile and garment, accounting for 34 percent of the overall exports of textile and apparel during 2013.

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Exports may fall short of target but to be more than last financial year

The Hon'ble Union Minister for Commerce & Industry, Shri Anand Sharma has said that Indian exports will fall short of the $325 billion target envisaged in the current fiscal though it would be more than what was achieved in the last financial year, it has been reported.

For the April-February period, the country's merchandise exports were up 4.79 per cent to $282.7 billion. Imports during the 11-month period fell 8.65 per cent to $410.86 billion. The trade deficit during this period was $128 billion.

In 2012-13, exports declined by 1.8 per cent to $300.4 due to the global demand slowdown.

Exporters attribute domestic factors like declining manufacturing growth for decline in exports besides the global slowdown.

The apex exporters body have suggested that the government may fix export target at least for next five years and announce some major policy decisions in the forthcoming Foreign Trade Policy for 2014-19 to boost exports.

India is exploring possibilities of entering into currency swap agreements with trade partners to shore up exports and bring down trade deficit, which is putting pressure on the rupee, it is reported.

India has signed currency swap agreements with Japan ($15 billion) and Bhutan ($100 million). China has shown active interest in entering into such an agreement with India but it is yet to be signed.

Currency swaps have emerged as an important derivative tool after the global financial crisis of 2008 to hedge the exchange rate risks.

FTAs to help country's global trade

The Commerce Secretary, Shri Rajeev Kher has said that pluralistic free trade bodies like the Regional Comprehensive Economic Partnership (RCEP) could help shape India's direction in changing global trade relations. The Regional Comprehensive Economic Partnership (RCEP), one of the largest trade blocs in the world comprising ASEAN and six others, including India, China, Japan, South Korea, Australia and New Zealand, has been successful in pursuing individual member country's interest as well as mutual trading goals,

The Commerce Secretary informed that the country was simultaneously in talks with the EU for a free trade agreement.

According to Shri Kher, India's yarn export to Bangladesh and import of readymade garments from the eastern neighbour was an example in creating regional value chains. He also believed that the opening up of two-way trade between India and Pakistan in agricultural commodities and agro-processing could be an extension of the experiment.

Depreciating yuan may hit Indian textile exports

Experts have warned that Indian exports of textile may suffer if the Chinese currency continues to depreciate, it has been reported.

The yuan has fallen 4.9% against the rupee during the year and may fall further if the Chinese slowdown deepens and the shadow of banking crisis and the defaults worsen. The rupee depreciated by 44% against the yuan from 2009-2013, but the trend seems to have reversed in the current year with the rupee gaining 5% year to date. Experts say the extent of yuan's depreciation till date may be too marginal to have any near-term impact, but things could change quickly if the trend continues.

At present, 10% of yarn produce of India goes to China. If the depreciation in the Chinese currency continues for six more months, India's cotton and yarn manufacturing companies would record a 3%-5% price decline. Consistent demand for cotton and yarn from China had increased the revenue of most textile companies by 35%-40%. Due to the expensive quota system in China and the Chinese government's policy of supporting its farmers by buying cotton at high prices and selling them to farmers, most Chinese companies preferred buying cotton and yarn from India and Pakistan. But, the Yuan depreciation would prompt Chinese companies to buy raw materials from China instead.

Hon'ble Finance Minister says economy more stable now

The Hon'ble Finance Minister, Shri Chidambaram has informed that fiscal deficit at the end of the first 11 months of FY14 was higher than the revised estimate, but he said that the revised estimate of 4.6% of GDP will be met, it has been reported.

It has also been reported that the infrastructure sector output in February grew at 4.5%, its quickest pace in 5 months, indicating some lift in the economy. It grew 1.6% in the previous month.

The Hon'ble Finance Minister has said that the economy today is far more stable and far stronger than what it was 20 months ago

Momentum in manufacturing sector eases

Manufacturing-sector activity slowed in March after posting the strongest expansion in a year in the previous month, tempering optimism over a recovery in the economy, it has been reported.

According to the HSBC, Purchasing Manager Index or PMI dropped to 51.3 in March from 52.5 in February. The momentum in the manufacturing sector eased on the back of a slowdown in order flows and raw material shortages. Meanwhile, inflation has also moderated.

This result is based on data compiled from monthly replies to questionnaires sent to purchasing executives in around 500 manufacturing companies.

It also indicated that output and new orders increased at weaker rates. However, growth of new export orders picked up over the month. This resulted in taking PMI average for January-March 2014 to 51.7, which was the highest since the same period in 2013.

It is learnt that growth is likely to remain moderate in the coming months as fiscal tightening, relatively high corporate leverage, and rising non-performing loans in the banking system pose headwinds to growth.

Among the various sectors, consumer goods continued to outperform the other two market groups, with robust increases in output and new orders registered in March. Operating conditions also improved at intermediate goods companies, but deteriorated in the capital goods category. Manufacturing production growth across India eased from February's one-year high and was modest overall. While panelists reported higher levels of incoming new work, there was evidence suggesting that competitive pressures and shortages of some raw materials hampered growth.

Indian manufacturers reported higher new export orders in March, stretching the current period of growth to six months. The latest increase in new work from abroad was marked and the strongest since April 2011.

Economic growth set for improvement in FY15

The Asian Development Bank (ADB) has forecast FY15 economic growth at 5.5% and FY16 growth at 6%, it has been reported.

The ADB report says that the economic downdraft of recent years appears to have calmed, and GDP growth in April 2014-March 2015 is expected to inch upward by 5.5% on improved performance in industry and services.

The report also states that in April 2014-March 2016, economic growth is expected to pick up to 6.0%, as speeding up in advanced economies bolsters external demand and government action opens some structural bottlenecks that have impeded industry and investment.

For FY14, the report stated that to achieve the targeted GDP growth of 4.9%, the growth in January-March quarter would have to be boosted to 5.5%.

Elevated inflation, a tight monetary stance, and a weak currency will continue to constrain spending. Further, fiscal austerity is likely to be an additional drag on growth, the report says.

The report stated that consumer inflation will likely average 8.1% in FY15 and moderate further to 7.8% in FY16, assuming no adverse shocks to agriculture. For the wholesale-price index (WPI), the report estimates inflation to average 6% in FY15 and 5.8% in FY16.

The International Monetary Fund (IMF) has forecast that India's growth could recover to 5.4% in the current fiscal year and increase by one percentage point to 6.4% in the next year to March 2016 due to stronger global growth, an improvement in export competitiveness and implementation of the recently-approved investment projects. A reiteration of January forecast is an indication that IMF's view of the Indian economy has not changed in the last three months, even as global investors have bought Indian shares in the hope of the economy doing better. In the just-ended fiscal year, IMF expects the economy to expand 4.4%.

IMF measures GDP in terms of market prices while India gives more weight to the factor-cost method. In terms of factor cost, IMF expects the Indian economy to expand 4.6% in 2013-14, close to the country's official estimate of 4.9%. IMF's estimates for 2014-15 and 2015-16 are same under both the methods – 5.4% and 6.4%, respectively.

The multilateral lender sees the global economy growing 3.6% in 2014, 0.1 percentage point lower than its January estimate, and 3.9% in 2015, again 0.1 percentage point from the earlier estimate. The weakness is largely due to slower growth in emerging markets and Japan. For India, IMF sees the management of consumer inflation as the biggest challenge, but expects it to decline further. However, it feels the interest rates may have to be raised further to manage inflation. The Reserve Bank of India left interest rates unchanged in its April 1 monetary policy review after consumer inflation dropped to a 25-month low of 8.1% in February.

External factors have generally been much less important compared with internal factors for some relatively large or closed economies, such as China, India, and Indonesia according to the IMF.

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ATTENTION : MEMBERS

RENEWAL OF COUNCIL'S MEMBERSHIP 2014-2015

A notice has been sent to all members regarding renewal of their membership of the Council for the year 2014-15. Kindly refer to the Council's letter No. Secy/Mem/292 dated 10th March, 2014 and the Subscription Memo sent along with the Circular in this regard to all members regarding renewal of your Membership of the Council for the year 2014-2015.

As you have already been informed non-payment of Membership will lead to the discontinuation of Membership as well Cancellation of the Registration-cum-Membership Certificate (RCMC) issued to you.

In view of the above, members who have not yet sent the renewal fee are requested to send the same for the year 2014-15 at the earliest.

The annual membership fee is as follows :

For SSI units	:	₹ 5394 (including service tax of 12.36%)
For others	:	₹ 8764 (including service tax of 12.36%)

SRTEPC/FE01/Yemen/14-15

Mr. Dadoo Dunya,
M/s. Dadoo Trade Enterprise,
Bldg. No. 125/19, Luqman Street,
Crater, Aden,
REPUBLIC OF YEMEN
Phone : 00-9672 251090
Mobile : 00967 736469041
Email : dadoodunya@hotmail.com

Items of Interest : Polyester/Viscose Yarn (65%/%35%) dyed on cones)

If interested, you may directly contact the concerned buyer/agent along with the details of your products, price quotes, terms of trade, etc. at the earliest under intimation to the Council for necessary follow-up, if required.

As is the practice, members are advised to verify the financial standing of the overseas firms while finalizing business deals.

EXTENSION OF FOCUS LAC PROGRAMME

The Ministry of Commerce & Industry has extended the Focus LAC Programme up to March 2019.

The Focus LAC Programme was launched by the Ministry of Commerce in 1997 to enhance trade with countries of Latin America and Caribbean region. The basic objective of this programme is to sensitize and encourage Export Promotion Councils, Chambers of Commerce & Industry, Exim Bank, ECGC, etc. involved in trade promotion efforts in organizing Trade Delegations / BSMs / Fairs / Exhibitions and explore new markets in the LAC region.

In view of the above, the member-exporters of the Council will continue to get the assistance for market promotion programmes under Marketing Development Assistance (MDA) Scheme.

For further details, members may visit the website www.commerce.nic.in

PERU - ONE OF THE POTENTIAL MARKETS FOR INDIAN MAN-MADE FIBRE TEXTILES IN THE LATIN AMERICAN REGION

Peru is a growing market for Man-made fibre textiles with around 29 million population. Peruvian textile industry is primarily Cotton based. It has a developed garmenting sector which exports nearly US$ 2 billion of garments annually. Most of these garments are of Cotton and are directed to the North Americas. However, garments of blended fabrics are growing popularity in Peru both locally and for exports. Though Peru is having a flourishing garment industry, currently it is not producing sufficient textile raw materials including fibres, yarns, fabrics, etc.

Market Potential

Peru imported US$ 1.22 billion of textiles products from the world during 2012 in which around US$ 800 million was of Man-made fibre textiles.

Cha-pter	PRODUCT DESCRIPTION	Import during 2012 (In US$ thousand)
50	Silk	1,529
51	Wool, animal hair, horsehair yarn and fabric thereof	22,912
52	Cotton	371,586
53	Vegetable textile fibres nes, paper yarn, woven fabric	1,645
54	Manmade filaments	199,180
55	Manmade staple fibres	154,988
56	Wadding, felt, nonwovens, yarns, twine, cordage, etc.	111,234
57	Carpets and other textile floor coverings	21,882
58	Special woven or tufted fabric, lace, tapestry etc	23,713
59	Impregnated, coated or laminated textile fabric	87,872
60	Knitted or crocheted fabric	131,420
61	Articles of apparel, accessories, knit or crochet	250,382
62	Articles of apparel, accessories, not knit or crochet	268,415
63	Other made textile articles, sets, worn clothing etc.	88,559
TOTAL		1,735,317

Peruvian Tariff Schedule

Tariffs (percent ad valorem) on Textiles and Apparel

	HS Chapter/Subheading	Tariff Rate Range (%)
FIBRE / YARN		
Silk	5003-5006	0 - 6
Wool	5105-5110	0 - 11
Cotton	5204-5207	6 - 11
Other vegetable fiber	5306-5308	0 - 11
Man-made fiber / Yarn	5401-5406/5501-5511	0 - 11
WOVEN FABRIC		
Silk	5007	11
Wool	5111-5113	11
Cotton	5208-5212	11
Oother vegetable fiber	5309-5311	0 - 11
Man-made fiber	5407-5408/5512-5516	0 - 11
KNIT FABRIC	60	11
NON WOVEN FABRIC	5603	0 - 6
INDUSTRIAL FABRIC	59	0 - 11
APPAREL	61-62	6 - 11
HOME FURNISHINGS INCLUDING: BED, BATH, KITCHEN LINENS, ETC.	63	6 - 11
CARPET	57	6

Additional Import Taxes and Fees

Most imports are subject to an additional 16 percent general sales tax (IGV) and a municipal promotion tax (IPM) of 2%. The VAT is calculated on the c.i.f. value plus import tariff.

Temporary Entry / Samples

Goods for registered trade fairs / Exhibitions may temporarily enter Peru by paying a bond.

Import of Manmade filaments by Peru covered under chapter 54

Chapter	PRODUCT DESCRIPTION	Import during 2012 (In US$ thousand)
540110	Sewing thread of synthetic filaments	1,846
540219	High-tenacity filament yarn of nylon or other polyamides (excl. sewing	20,090
540220	High tenacity yarn (o/t sewg thread), of polyester filaments, not put up	6,710
540231	Texturd yarn nes, of nylon/oth polyamides fi, </=50tex/s.y., not put up	9,206
540233	Textured yarn nes, of polyester filaments, not put up for retail sale	56,460
540244	Synthetic filament elastomeric yarn, single, untwisted or with a twist	10,551
540245	Filament yarn of nylon or other polyamides, incl. monofilament of < 67	1,092
540247	Filament yarn of polyester, incl. monofilament of < 67 decitex, single	2,877
540248	Filament yarn of polypropylene, incl. monofilament of < 67 decitex, si	1,986
540249	Yarn of synthetic filaments, single, untwisted, nes, not put up	3,309
540262	Yarn of polyester filaments, multiple, nes, not put up	1,387
540411	Elastomeric monofilament of >= 67 decitex and with a cross sectional d	1,550
540412	Polypropylene monofilament of >= 67 decitex and with a cross sectional	2,937
540419	Synthetic monofilament of >= 67 decitex and with a cross sectional dim	2,564
540720	Woven fab obtaind from strip/the like of synthetic textile materials	2,804
540742	Woven fabrics, >/=85% of nylon/other polyamides filaments, dyed, nes	1,298
540752	Woven fabrics,>/=85% of textured polyester filaments, dyed, nes	12,510
540753	Woven fabrics, >/=85% of textured polyester filaments, yarn dyed, nes	3,718
540754	Woven fabrics, >/=85% of textured polyester filaments, printed, nes	4,982
540761	Woven fabric >85% non-textured polyester filaments	11,187
540769	Woven fabric >85% polyester filaments, nes	18,103
540771	Woven fab, >/=85% of synthetic filaments, unbleached or bleached, nes	2,586
540773	Woven fabrics, >/=85% of synthetic filaments, yarn dyed, nes	3,907
540783	Woven fabrics of synthetic filaments, <85% mixd w cotton, yarn dyd, nes	1,425
540793	Woven fabrics of synthetic filaments, yarn dyed, nes	2,466

Import of Textiles made out of Manmade Staple Fibres by Peru covered under chapter 54

Chapter	PRODUCT DESCRIPTION	Import during 2012 (In US$ thousand)
550320	Staple fibres of polyesters, not carded or combed	40,937
550410	Staple fibres of viscose, not carded or combed	14,481
550810	Sewing thread of synthetic staple fibres	11,142
551511	Woven fab of polyester staple fib mixd w viscose rayon staple fib, nes	10,008
550130	Filament tow of acrylic or modacrylic	8,723
550953	Yarn of polyester staple fibres mixed with cotton, not put up, nes	8,191
550921	Yarn, >/=85% of polyester staple fibres, single, not put up	7,730
551011	Yarn, >/=85% of artificial staple fibres, single, not put up	5,653
551341	Plain weave polyester stapl fib fab, <85%, mixd w/cot, </=170g/m2, printd	4,947
550390	Synthetic staple fibres, not carded or combed, nes	4,781
550490	Artificial staple fibres, o/t viscose, not carded or combed	4,029
551211	Woven fabrics, containing>/=85% of polyester staple fibres, unbl or bl	3,600
551219	Woven fabrics, containg>/=85% of polyester staple fibres, o/t unbl or bl	3,375
551512	Woven fabrics of polyester staple fibres mixd w man-made filaments, nes	3,336
551614	Woven fabrics, containing>/=85% of artificial staple fibres, printed	2,295
551622	Woven fabrics of artificial staple fib, <85%, mixd with man-made fi, dyd	2,124
550340	Staple fibres of polypropylene, not carded or combed	1,961
551321	Plain weave polyester staple fib fab, <85%, mixd w/cotton, </=170g/m2, dyd	1,878
550951	Yarn of polyester staple fibres mixd w/ arti staple fib, not put up, nes	1,750
551311	Plain weave polyest stapl fib fab,<85%, mixd w/cottn, </=170g/m2, unbl/bl	1,743

Export of Indian MMF textiles to Peru during last five years

Value in USD Mn

	Fabrics	Made-ups	Yarn	Fibre	Total	%Gr/Dec
2008-09	7.76	0.27	10.68	1.04	19.75	18.69%
2009-10	6.81	0.64	11.78	1.05	20.28	2.68%
2010-11	12.78	0.74	38.19	2.61	54.32	167.85%
2011-12	13.45	0.46	46.18	5.71	65.80	21.13%
2012-13	8.54	0.93	44.50	8.05	62.02	-5.74%

During 2012-13 the following main MMF Textiles were being exported from India to Peru

Fabrics	Polyester-Viscose Fabrics Synthetic-Cotton Fabrics
Made-ups	Shawls / scarves Muffler
Yarn	Polyester Textured Yarn Polyester-Cotton Yarn Viscose Spun Yarn
Fibre	Polyester Staple Fibre

Anti Dumping Duties imposed by Peru

Peru has imposed Anti dumping duty on the import of fabrics made out of Polyester Staple Fibre and Viscose Staple Fibre originating from India covered under HS Classification No. 5515.11.00. The duties range from US $ 1.12 to US$ 2.76 per kg and was imposed on 25th March 2011 for a duration of five years.

Strategically Located

Peru has an extensive and mega-diverse territory strategically located in the central zone of South America over one of the largest oceans on the Planet. Through the Pacific Ocean, Peru connects with APEC member countries – of which Peru is a member - one of the most important, rich, and growing markets in the world.

Growing Economy

In Latin America, Peru is the 5th largest country by GDP and also by population. The Peruvian economy has been growing by an average of 6.4% per year since 2002 with a stable/slightly appreciating exchange rate and low inflation. Growth has been in the 6-9% range for the last three years, due partly to a leap in private investment, including the textiles sector, which contributes significantly in Peru's total exports.

The economic outlook for Peru remains favorable for the coming years. Based on announcements of new projects and investments, the expectation is of high growing rates of domestic consumption. The implementation of a stable and responsible economic policy, which has maintained continuity through the succession of governments has generated confidence in the various economic agents.

Widening Trading Network

Peru's free trade policy has continued since 2006. Peru has signed trade agreements with the US, Canada, Singapore, China, Korea, Mexico, Japan, the European Free Trade Association, and Chile. It also has concluded negotiations with Venezuela, Costa Rica, and Guatemala; and begun trade talks with two other Central American countries and the Trans-Pacific Partnership. Peru also has signed a trade pact with Chile, Colombia, and Mexico called the Pacific Alliance. The US-Peru Trade Promotion Agreement entered into force 1st February 2009, opening the way to greater trade and investment between the two economies.

Textile Industry

The textile industry in Peru has its legacy in ancient pre-Columbian cultures. Ancient Peruvians, pre-Incan cultures like Paracas and Chancay, and even the Incas, knew how to cultivate cotton and take advantage of Andean camelidae fibers, developing extraordinary textile dyeing and weaving techniques that amazed the world. These traditions have in many ways survived, now as part of current industrialized processes.

Currently, textile industry has 13% stake in total manufacturing production, U.S. $ 3 billion in foreign exchange from exports, employs around 1 million people directly and nearly 2 million Peruvian families depend on the textile industry.

Peruvian pima cotton is one of the finest cottons in the world and provides the industry with an exceptionally long fiber famous for its strength, luster and softness. The Alpaca fiber is classified as one of the most exquisite types of fine hair in the world, together with cashmere, mohair and angora. Peru accounts for more than 85 percent of world production of these fibers.

The stunning growth of textile infrastructure in Peru is primarily due to textile production being recognized as a strategic business for the country. Currently, textiles and garment manufacturers account for more than 30 percent of the non-traditional exports in Peru. In the garment sector alone, sales to foreign markets exceed $2 billion dollars per year. Because of the high quality of the raw materials used, Peruvian textile products are demanded by the most exclusive markets.

Over the past 10 years, factories have invested in state-of-the-art technology. Automatic sewing machines, centralized dyestuff dispensing units, modern dyeing machines, hydroextractors, compacting machines, foulards and other finishing equipment ensure the highest quality textiles.

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DGFT

Public Notice No.55 (RE-2013/2009-2014) dated the 14th March, 2014

Introduction of Online Export Obligation Discharge Certificate (EODC)/Redemption for Advance Authorization (AA) and Duty Free Import Authorization (DFIA).

In exercise of powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-2014, the Director General of Foreign Trade hereby notifies amendment in procedure to be followed in respect of Export Obligation Discharge Certificate / Redemption of Advance Authorization (AAs) and Duty Free Import Authorization (DFIA) with effect from 1.6.2014

2. Guidelines for Exporters / RAs:

Online system for EODC / Redemption for AA / DFIA is being introduced with effect from 1.6.2014. This will reduce processing time and transaction cost.

http://dgft.gov.in/Exim/2000/PN/PN13/pn5513.htm

CBEC – CUSTOMS

Relevant extract of the Notification

Seeks to amend Notification No. 69/2011-Customs, dated 29th July, 2011 (India-Japan CEPA)

Notification No. 09/2014 – Customs dated 1st April, 2014

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, for the Table, the following Table shall be substituted, namely:-

“Table

S.No.	Chapter or Heading or Sub-heading or Tariff item	Description	Rate
(1)	(2)	(3)	(4)
372	5401 to 5402	All goods	6.4
373	5403	All goods	0.0
374	5404	All goods	6.4
375	5405	All goods	0.0
376	54060010	All goods	6.4
377	54060020 to 54082120	All goods	0.0
378	5501	All goods	6.4
379	5502	All goods	0.0
380	5503	All goods	6.4
381	5504 to 5507	All goods	0.0
382	550810	All goods	6.4
383	550820 to 551694	All goods	0.0
384	Chapter 56 to 63	All goods	0.0

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2014/cs-tarr2014/cs09-2014.htm

Drawback shipping bill in which the higher composite All Industry Rate applicable when Cenvat facility has not been availed is claimed – Processing at the time of export - regarding.

Customs Instruction No.609/156/2013-DBK dated13th March, 2014

Under the extant procedure in EDI, where the exporter files a shipping bill for export under claim for duty drawback and shows the claim for the higher composite rate that features in Column (A) of the AIR Drawback Schedule, the requirement of a “Non-Availment of Cenvat Certificate” appears at the time of export in the list of documents in EDI System. Only when it is recorded that this certificate is available, the shipping bill moves to Let Export Order (LEO) stage. When the shipping bill does not move to the LEO stage, the exporter or his agent has to amend the shipping bill to show claim for the lower rate of AIR duty drawback in column (B) of the Schedule. Upon such amendment, the shipping bill moves to the LEO stage without requirement of the certificate. This does not prevent the exporter from subsequently claiming higher drawback by following due procedure.

http://www.cbec.gov.in/customs/cs-instructions/cs-instructions-14/cs-ins-shippingbill.htm

Manual filing and processing of Bills of Entry / Shipping Bills – stringent checks required to prevent misuse – regarding.

Customs Instruction

F. No. 401/81/2011-Cus.III dated 7th April, 2014

Attention is invited to Board’s instructions of even no. dated 04.05.2011, read with Corrigendum dated 12.05.2011 on the subject mentioned above.

2. As per the referred instruction, the Board had taken a serious note of the possibility of misuse of the facility of manual filing and processing of import/export documents, which was being allowed by the field formations. Accordingly, it had been instructed that this should not be allowed except in exceptional and genuine cases where the electronic filing and processing of import/export documents is not feasible. Moreover, it was pointed out that in terms of Sections 46 and 50 of the Customs Act, 1962, the authority to allow manual filing and processing of documents rests with the Commissioner of Customs only. It is, however, noticed that despite this strict instruction, some field formations particularly vulnerable outlying CFSs/ ICDs are still routinely allowing importers/exporters to file the documents manually. This violation of the Board’s instruction is not acceptable.

http://www.cbec.gov.in/customs/cs-instructions/cs-instructions-14/cs-ins-besb-stringentchecks.htm

CBEC – CENTRAL EXCISE

Central Excise Rules 2002

Notification No. 14/2014 - Central Excise (N.T.) dated 21st March, 2014

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 (Second Amendment) Rules, 2014.

   (2) They shall come into force on the date of their publication in the Official Gazette.

2. For rule 12CCC of the Central Excise Rules, 2002, the following shall be substituted, namely:—

   “12CCC. Power to impose restrictions in certain types of cases.— Notwithstanding anything contained in these rules, where the Central Government, having regard to the extent of evasion of duty, nature and type of offences or such other factors as may be relevant, is of the opinion that in order to prevent evasion of, or default in payment of duty of excise, it is necessary in the public interest to provide for certain measures including restrictions on a manufacturer, first stage and second stage dealer or an exporter may, by notification in the Official Gazette, specify the nature of restrictions including suspension of registration in case of a dealer, types of facilities to be withdrawn and procedure for issue of such order by the Chief Commissioner of Central Excise.

http://www.cbec.gov.in/excise/cx-act/notfns-2014/cx-nt2014/cent14-2014.htm

CENVAT Credit (Fifth Amendment) Rules, 2014

Notification No. 15/2014 - Central Excise (N.T.) dated 21st March, 2014

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 CENVAT Credit Rules, 2004, namely:-

1. (1) These rules may be called the CENVAT Credit (Fifth Amendment) Rules, 2014.

   (2) They shall come into force on the date of their publication in the Official Gazette.

2. (1) For rule 12AAA of the CENVAT Credit Rules, 2004, the following shall be substituted, namely :—

   "12AAA. Power to impose restrictions in certain types of cases.— Notwithstanding anything contained in these rules, where the Central Government, having regard to the extent of misuse of CENVAT credit, nature and type of such misuse and such other factors as may be relevant, is of the opinion that in order to prevent the misuse of the provisions of CENVAT credit as specified in these rules, it is necessary in the public interest to provide for certain measures including restrictions on a manufacturer, first stage and second stage dealer or an exporter, may by notification in the Official Gazette, specify the nature of restrictions including restrictions on utilization of CENVAT credit and suspension of registration in case of a dealer and type of facilities to be withdrawn and procedure for issue of such order by the Chief Commissioner of Central Excise.

http://www.cbec.gov.in/excise/cx-act/notfns-2014/cx-nt2014/cent15-2014.htm

Supersedes Notification No 5/2012-C.E.(N.T.) dt 12.03.2012;Chief Commissioner of Central Excise to order withdrawal of facilities or impose the restrictions as specified

Notification No. 16/2014 - Central Excise (N.T.) dated 21st March, 2014

In pursuance of rule 12CCC of the Central Excise Rules, 2002, and rule 12AAA of the CENVAT Credit Rules, 2004 and in supersession of the notification of the Government of India in the Ministry of Finance, Department of Revenue, No. 05/2012-Central Excise (N.T.), dated the 12th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 140(E), dated the 12th March, 2012, except as respects things done or omitted to be done before such supersession, the Central Government hereby declares that where a manufacturer, first stage or second stage dealer, or an exporter including a merchant exporter is prima facie found to be knowingly involved in any of the following :-

(a) removal of goods without the cover of an invoice and without payment of duty;

(b) removal of goods without declaring the correct value for payment of duty, where a portion of sale price, in excess of invoice price, is received by him or on his behalf but not accounted for in the books of account;

(c) taking of CENVAT Credit without the receipt of goods specified in the document based on which the said credit has been taken;

(d) taking of CENVAT Credit on invoices or other documents which a person has reasons to believe as not genuine;

(e) issuing duty of excise invoice without delivery of goods specified in the said invoice;

(f) claiming of refund or rebate based on the duty of excise paid invoice or other documents which a person has reason to believe as not genuine;

(g) removal of inputs as such on which Cenvat credit has been taken, without paying an amount equal to credit availed on such inputs in terms of sub-rule (5) of rule 3 of the Cenvat Credit Rules, 2004,

http://www.cbec.gov.in/excise/cx-act/notfns-2014/cx-nt2014/cent16-2014.htm

CBEC – SERVICE TAX

Seeks to amend notification No. 06/2013- Service Tax dated 18.04.2013

Notification No. 05/2014-Service Tax dated 24th February, 2014.

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, sub-section(i), vide number G.S.R. 254 (E), dated 18th April, 2013, namely:-

http://www.servicetax.gov.in/notifications/notfns-2014/st05-2014.htm

MUMBAI CUSTOMS

Public Notice No. 18 /2014 dated 21st March, 2014

Compliance of International Standards for Phytosanitary Measures (ISPM-15) in respect of packaging material / wood packaging materials by exporters – regarding.

Attention of all members of Trade, Exporters, Customs Brokers and stake holders is invited to Board's Circlar No. 14/2009/Cus dated 06.5.2009 and Circular No. 13/2011 – Cus dated 28.02.2011 regarding compliance of International Standards for Phytosanitary Measures (ISPM-15) in respect of wood packaging material by exporters and importers, issued under Plant Quarantine (Regulation of Import into India) Order, 2003 issued as per IPPC convention of FAO.

2. As per various instructions issued on the compliance of ISPM-15, every consignment accompanied with solid wood packaging materials needs to be treated and marked in accordance with the provisions of International Standards for Phytosanitary Measures (ISPM) No. 15 to reduce the risk of introduction and / or spread of quarantine pests associated with wood packaging material.

http://www.mumbaicustomszone1.gov.in/writereaddata/PublicNotice/1041_PN%2018-2014.pdf

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Compliance of International Standards for Phytosanitary Measures (ISPM-15) in respect of Packaging material /Wood Packaging Material –reg.

Public Notice No: 19 /2014 dated 24th March, 2014

Attention of Importers/Exporters/Custom House Agents and other stake holders is invited to Board's Circular No. 14/2009/Cus Dated 06-05-2009 and Circular No. 13/2011-Cus dated 28-02-2011 wherein attention was invited to Provision of Plant Quarantine (Import of Goods in India) Order, 2003 which also outlines mandatory requirements of Compliance of ISPM for imported goods. Accordingly, Board Circular No.39/2004-Customs dated 30-06-2004 and instructions dated 02-04-2009 were issued to Customs field formations to implement the provisions of ISPM compliance.

2. DGFT, vide Notification No. 54/2009-2014 dated 03-08-2010, has made it mandatory that export of goods including plant and plant products using wood packaging materials such as pallet, dunnage, crating, packing blocks drums, cases load boards, pallet collars shall be allowed subject to compliance of ISPM-15.

http://www.mumbaicustomszone1.gov.in/writereaddata/PublicNotice/1044_PN%2019-2014.pdf

SAHAR AIR CARGO CUSTOMS

ISPM-15 Standards

Facility Notice No. 02 /2014 dated 21st February, 2014

Attention of all concerned is invited to Board's Circular No. 14/2009/Cus dated 06-05-2009 and Circular No.

13/2011-Cus dated 28-02-2011 wherein attention was invited to Provision of Plant Quarantine (Import of Goods in India) Order, 2003 which also outlines mandatory requirements of compliance of ISPM for imported goods. Accordingly, Board Circular No.39/2004-Customs dated 30-06-2004 and instructions dated 02-04-2009 were issued to Customs field formations to implement the provisions of ISPM compliance.

2. ISPM is International Standards for Phytosanitary Measures as per IPPC convention of FAO to reduce the risk of introduction / or spread of quarantine pest associated with wood packaging material (including dunnage) made of coniferous and non coniferous raw wood, in use in international trade.

http://www.accmumbai.gov.in/aircargo/miscellaneous/facility_notices/2014/facility_notice.02_21.02.2014.pdf

RESERVE BANK OF INDIA

Risk Management & Inter-Bank Dealings: Booking of Forward Contracts –Liberalisation

RBI/2013-14/557 A.P. (DIR Series) Circular No. 119 dated April 07, 2014

Please refer to paragraph 23 of the first Bi-Monthly Monetary Policy Statement, 2014-15 wherein, inter alia, it has been proposed to allow all resident individuals, firms and companies with actual foreign exchange exposures to book foreign exchange derivative contracts up to US$ 250,000 on declaration, subject to certain conditions.

2. Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to the Foreign Exchange Management (Foreign Exchange Derivative Contracts) Regulations, 2000 dated May 3, 2000 (Notification No.FEMA.25/RB-2000 dated May 3, 2000) as amended from time to time and A.P. (DIR Series) Circular No.15 dated October 29, 2007 regarding liberalisation in respect of booking of forward contracts, in terms of which resident individuals, to manage/ hedge their foreign exchange exposures arising out of actual or anticipated remittances, both inward and outward, are allowed to book forward contracts, without production of underlying documents, up to a limit of US$ 100,000 based on self-declaration.

http://rbi.org.in/scripts/NotificationUser.aspx?Id=8829&Mode=0

Merchanting Trade Transactions - Revised guidelines

RBI/2013-14/545 A.P. (DIR Series) Circular No.115 dated March 28, 2014

Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to A.P. (DIR Series) Circular Nos.106 & 4 dated June 19, 2003 and July 19, 2003 respectively, containing directions relating to merchanting trade transactions. Further, in terms of A.P. (DIR Series) Circular No. 95 dated January 17, 2014 the existing guidelines were reviewed in the light of the recommendations of the Technical Committee on Services / Facilities to Exporters (Chairman: Shri G. Padmanabhan) to further liberalise and simplify the procedure.

2. In view of suggestions received from merchanting traders and trade bodies, the guidelines on merchanting trade transactions have been further reviewed. Accordingly, it has been decided to issue revised guidelines as under:
   - i. For a trade to be classified as merchanting trade following conditions should be satisfied ;
     - a. Goods acquired should not enter the Domestic Tariff Area and
     - b. The state of the goods should not undergo any transformation ;
   - ii. Goods involved in the merchanting trade transactions would be the ones that are permitted for exports/ imports under the prevailing Foreign Trade Policy (FTP) of India, as on the date of shipment and all the rules, regulations and directions applicable to exports (except Export Declaration Form) and imports (except Bill of Entry), are complied with for the export leg and import leg respectively ;

http://rbi.org.in/scripts/NotificationUser.aspx?Id=8812&Mode=0

Risk Management and Inter Bank Dealings

RBI/2013-14/540 dated March 27, 2014 A.P. (DIR Series) Circular No.114

Attention of Authorised Dealers Category-I (AD Category-I) banks is invited to the Foreign Exchange Management (Foreign Exchange Derivative Contracts) Regulations, 2000 dated May 3, 2000 (Notification No. FEMA/25/RB-2000 dated May 3, 2000) as amended from time to time and A.P. (DIR Series) circular no. 58 dated December 15, 2011.

2. Under extant guidelines relating to hedging of currency risk of probable exposures based on past performance by residents,

   a. Exporters are allowed to hedge currency risk on the basis of a declaration of an exposure up to an eligible limit computed as the average of the previous three financial years' (April to March) actual export turnover or the previous year's actual export turnover, whichever is higher.

http://rbidocs.rbi.org.in/rdocs/notification/PDFs/IMIBD27032014.pdf

Export of Goods and Services: Export Data Processing and Monitoring System (EDPMS)

RBI/2013-14/507 A.P. (DIR Series) Circular No. 109 dated February 28, 2014

Attention of Authorised Dealers is invited to A. P. (DIR Series) Circular No. 12 dated September 9, 2000 read with A.P. (DIR Series) Circular No.101 dated February 04, 2014 in terms of which a comprehensive IT- based system called Export Data Processing and Monitoring System (EDPMS) has been developed for better monitoring of export of goods and software and facilitating AD banks to report various returns through a single platform. It has been further advised that the date of inception of the system along with user credentials and web link for accessing the system would be communicated to the AD banks shortly.

2. It is now advised that EDPMS has been operationalized with effect from February 28, 2014 and the same would be available to AD banks with effect from March 01, 2014.

http://rbidocs.rbi.org.in/rdocs/notification/PDFs/CIRAP109EDP28022014.pdf

GOVT. OF MAHARASHTRA

Co-op. Marketing & Textile Department

Delinking of Schemes under Textile Policy with Centrally Sponsored TUFS Scheme.

Government Resolution No.2012/C.R.257/Tex-2 dated 21st February, 2014.

The Dept. of Co-op. Marketing & Textile, Government of Maharashtra, has issued Resolution No.2012/C.R.257/Tex-2 dated 21st February, 2014 regarding delinking of Maharashtra Textile Policy from TUFS Scheme.

With the delinking of TUFS from the state textile policy, investors will not have to wait for the Unique Identification (UID) number. The state can receive direct proposals prior to getting the UID number which is mandatory under TUFS.

As per GR, after delinking, the rate of interest subvention under State Policy w.e.f 21st February, 2014 will be as under:

Sr.No.	Type of Unit of Textile Industry	Interest Rate
1.	Spinning Mill, Garmenting, Ginning, Pressing and Processing	7%
2.	Technical Textile	6%
3.	Composite Unit	6%
4.	Other Units of Textile Industry other than aforesaid Sr. No. 1, 2 & 3	5%

For more details regarding the Maharashtra State Textile Policy, you can visit the Official website of the Maharashtra Government by following the link

https://mahatextile.maharashtra.gov.in/GR/Microsoft%20Word%20-%20G.R.%20English%20reg.Delink%2021%20Feb%2014.pdf

FREQUENTLY ASKED QUESTIONS (FAQ'S)

- **Can exporters apply online for EODC/ Redemption for Advance Authorization and DFIA?**

Ans: Online system for Export Obligation Discharge Certificate (EODC) / Redemption related to Advance Authorisation (AA) and Duty Free Import Authorization (DFIA) is being introduced with effect from June 01, 2014. Recently, DGFT has issued Public Notice No. 55 (RE-2013/2009-2014) dated March 14, 2014 regarding introduction of Online EODC / Redemption for AA/ DFIA from June 01, 2014 and provided guidelines for EDI Shipping Bills, Non-EDI Shipping Bills and Deemed Exports. Further, EODC / Redemption letter containing details of EDI / Non-EDI Shipping Bills will be transmitted electronically to Customs / Authorization holder. This new initiative of DGFT will reduce processing time and transaction cost.

- **What are the changes in Brazilian Customs under new Regulation No. 1.356 dated May 6th 2013?**

Ans: The Brazilian Customs had introduced a regulation vide 1.356/2013 effective May 6th, 2013 eliminating the requirement of Original Bill of Lading (OBL) for release of import cargo. As a consequence of this amendment, the shipment may be released by importer without original B/L.

- **Please clarify FTP guidelines related to late cut penalties applicable on Duty Credit Scrips?**

Ans: Wherever an application is received after expiry of last date for submission, the application is considered after imposing a late cut in the following manner-

  - Application is received after the expiry of last date but within six months from the last date - **Late cut of 2%**
  - Application is received after six months from the prescribed date of submission but not later than one year from the prescribed date - **Late cut of 5%**
  - Application is received after Twelve months from the prescribed date of submission but not later than two years from the prescribed date - **Late cut of 10%**

- **The revised RBI guidelines for "Third party payments for export/import transactions" are applicable only on remittances concerning FATF compliant countries. Please explain the meaning of FATF?**

Ans: The Financial Action Task (FATF) is an intergovernmental organization founded in 1989 on the initiative of the G7. The purpose of the FATF is to develop policies to combat money laundering and terrorism financing. The FATF membership is currently made up of thirty-four member jurisdictions and two regional organisations. The list of FATF compliant members/ organisations and other details may be viewed on http://www.fatf-gafi.org

- **We have invalidated our Advance Authorisation for domestic purchase, but domestic manufacturer has supplied to us after charging excise duty. Are we eligible for TED refund under Para 8.5 of FTP?**

Ans: As per DGFT Circular No. 16 (RE-2012/2009-14) dated 15th March, 2013 it has been clarified that in respect of supplies which are exempted from payment of excise duty, no refund of TED shall be provided by RAs of DGFT, because such supplies are ab-initio exempted from payment of excise duty. In such cases the relevant taxes should not have been collected to begin with and if, there has been an error/oversight committed, then the agency collecting the tax may refund it.

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

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EXPORTS OF INDIAN SYNTHETIC AND RAYON TEXTILES DURING APRIL - FEBRUARY 2013-14

Exports of Indian Man-made fibre textiles were US$ 5208.02 million during April – Feb. 2013 - 14, showing a growth of 12.34 % in dollar terms as compared to the same period of the previous year.

Product	Value	Feb-14	Feb-13	Apr-Feb 2013-14	Apr-Feb 2012-13
MANMADE YARN, FABRICS, MADE-UPS	₹ Crs.	2734.26	1957.95	28047.73	22303.12
	USD Mill.	441.37	372.94	4676.96	4174.27
MANMADE STAPLE FIBRE	₹ Crs.	298.65	250.04	3184.78	2466.43
	USD Mill.	48.21	47.63	531.06	461.62
Grand Total	**₹ Crs.**	**3032.91**	**2207.99**	**31232.51**	**24769.55**
	USD Mill.	**489.57**	**420.57**	**5208.02**	**4635.89**
Growth Rate (%)	**In Terms of ₹**			**In Terms of US$**	
April-February 2013-14 over April-February 2012-13	26.09			12.34	
February 2014 over February 2013	37.36			16.41	

Source: DGCI&S Provisional

MONTHWISE EXPORT TRENDS OF INDIAN MMF TEXTILES DURING APRIL-FEBRUARY 2013-14 COMPARED TO THE SAME PERIOD OF 2012-13

Value in USD Mn

Month	2013-14	2012-13	% Grw/Dec
April	424.11	427.91	-0.89
May	430.60	466.94	-7.78
June	446.38	438.60	1.77
July	464.86	446.87	4.03
August	495.08	422.77	17.10
September	457.38	423.76	7.93
October	519.89	395.64	31.40
November	418.91	355.91	17.70
December	493.44	381.46	29.35
January' 14	504.54	411.38	22.64
February '14	489.57	420.57	16.41

Source: DGCI&S

DATA AS PER REPORTS OF SELECTED PORTS

Since the above DGCI&S (Provisional) data do not give detailed product and market wise information, the Council has compiled data from selected ports on the basis of information received. The compiled data from selected ports is on an average 80% of the final export data compiled by DGCI&S. This is meant to give members an indicative trend on latest exports.

Exports of Indian MMF textiles during April-February 2013-14 amounted to US$ 4419.01 Million against US$ 3886.15 Million during April-February 2012-13 registering a growth of nearly 14%.

Value in USD Mn

	April-February 2013-2014	April-February 2012-2013	Grw/decline (%)
Fabrics	1751.75	1540.94	13.68
Yarn	1351.77	1244.34	8.63
Made-ups	963.50	721.68	33.51
Fibre	351.98	379.19	-7.17
Total	**4419.01**	**3886.15**	**13.71**

Source: Port data

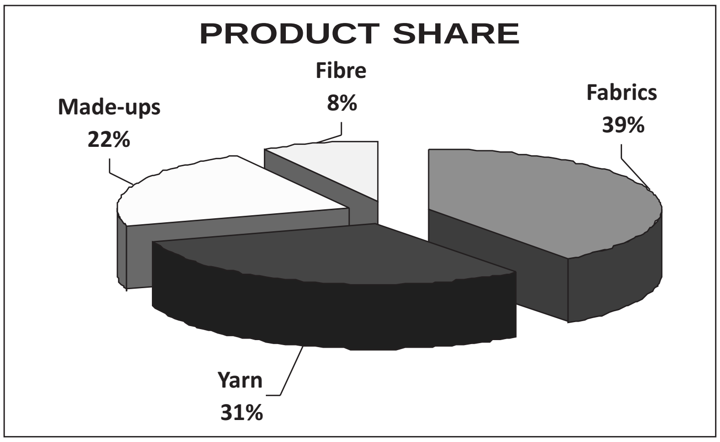
HIGHLIGHTS

- Exports have witnessed a growth of 16% growth in February 2014 as compared to the same month of the previous year.
- Exports of Fabrics dominated the total exports with 39% share followed by Yarn 31%, Made-ups 22% and Fibre 8%.
- The value-added products like fabrics and made-ups were the main export items, accounting for 61% share.
- Exports of Made-ups showed nearly 34% growth followed Fabrics 14% and Yarn 7%. However, Fibres export declined 7% as compared to April-February 2012-2013.

- Polyester Filament Fabrics (USD 646.45 Mn) was the main fabric exported followed by Synthetic Filament Fabrics (USD 390.92 Mn) and Polyester Viscose Fabrics (USD 264.71 Mn)
- In case the of yarn, Polyester Filament Yarn was main item with exports of USD 709.74 Mn accounting for 52% followed by Polyester Cotton Yarn with USD 150.40 Mn.
- In Made-ups segment, exports of Muffler, Shawls/ Scarves were main items with USD 245.21 Mn and USD 166.73 Mn respectively.
- UAE has emerged as the leading market for Indian MMF textiles exports.
- The US has emerged as the 2nd largest market.
- Other major markets during April-February 2013-14 were Turkey, Italy, Saudi Arabia, Brazil, Belgium, Sri Lanka, Netherlands, Spain etc.
- From in the Euro Zone, Belgium has emerged as one of the leading market for our exports during April-February 2013-2014.
- The USA has also emerged as the leading market for Indian MMF made-ups.
- Exports of Yarn to Turkey and Brazil have increased by 17.30% and 7.40% respectively instead of Anti-Dumping duties applied by Turkey and Brazil as export of Indian MMF Yarn.

PRODUCT SHARE

During April-February 2013-14, exports of Fabrics dominated the total exports with 39% share, followed by Yarn 31%, Made-ups 22% and Fibre 8%.



PRODUCT-WISE EXPORT PERFORMANCE APRIL–FEBRUARY 2013-14

Value in USD MN

Products	April-Feb 2013-14	April-Feb 2012-13	Net Change	% Change
FABRICS				
Polyester Filament	646.45	565.90	80.55	14.23
Synthetic Filament	390.92	293.02	97.90	33.41
Polyester Viscose	264.71	255.41	9.30	3.64
Polyester Blended	111.88	109.77	2.11	1.92
Synthetic Non Specified	95.90	70.87	25.03	35.32
Polyester Spun	44.95	43.87	1.08	2.46
Polyester Cotton	41.28	35.50	5.78	16.28
Synthetic Cotton	38.74	41.31	-2.57	-6.22
Polyester Wool	38.23	44.66	-6.43	-14.40
Nylon Filament	18.16	15.57	2.59	16.63
Synthetic Blended	13.84	9.13	4.71	51.59
Viscose Blended	8.18	10.07	-1.89	-18.77
Other Fabrics	38.54	45.85	-7.31	-15.94
Total Fabrics	**1751.78**	**1540.93**	**210.85**	**13.68**
YARN				
Polyester Filament	709.74	674.43	35.31	5.24
Polyester Cotton	150.40	139.01	11.39	8.19
Polyester Viscose	127.67	98.85	28.82	29.16
Polyester Spun	94.67	73.00	21.67	29.68
Viscose Spun	63.40	86.00	-22.60	-26.28
Viscose Filament	48.64	47.63	1.01	2.12
Acrylic Spun	36.96	24.94	12.02	48.20
Synthetic Spun	32.19	26.74	5.45	20.38
Artificial Spun	18.77	15.34	3.43	22.36
Polyester Wool	15.42	14.10	1.32	9.36
Nylon Filament	10.33	9.13	1.20	13.14
Viscose Cotton	9.65	3.69	5.96	161.52
Acrylic Cotton	8.49	8.25	0.24	2.91
Nylon Spun	5.37	4.07	1.30	31.94
Other Yarn	20.06	19.85	0.21	1.06
Total Yarn	**1352.16**	**1245.03**	**107.13**	**8.60**

Products	April-Feb 2013-14	April-Feb 2012-13	Net Change	% Change
MADE-UPS				
Bulk Containers	245.21	140.87	104.34	74.07
Muffler	166.73	110.98	55.75	50.23
Shawls/Scarves	104.96	76.70	28.26	36.84
Motifs	59.36	14.96	44.40	296.79
Blanket	31.58	18.35	13.23	72.10
Dress Material	30.94	33.88	-2.94	-8.68
Bedsheet	27.72	31.03	-3.31	-10.67
Bed Linen	26.80	30.63	-3.83	-12.50
Fishing Net	25.90	23.28	2.62	11.25
Rope	18.52	12.64	5.88	46.52
Dish-cloths/Dusters	15.89	37.21	-21.32	-57.30
Braids	10.12	9.30	0.82	8.82
Furnishing Articles	9.39	9.53	-0.14	-1.47
Life Jacket	8.85	11.57	-2.72	-23.51
Curtains	8.13	10.03	-1.90	-18.94
Wadding	5.34	3.51	1.83	52.14
Other Made-ups	168.06	147.19	20.87	14.18
Total Made-ups	**963.50**	**721.66**	**241.84**	**33.51**
FIBRE				
Polyester Staple	213.06	199.69	15.78	8.99
Viscose Staple	92.94	154.12	-58.36	-40.81
Acrylic	20.30	3.75	21.41	274.13
Synthetic	11.34	13.83	-2.49	-18.00
Other Fibre	14.34	7.79	6.55	84.08
Total Fibre	**351.98**	**379.18**	**-27.20**	**-7.17**

* Flexible Intermediate Bulk Container (HS Code 63053200)/ big bag/bulk bag or Super Sack is a standardized container in large dimensions for storing and transporting dry, flowable products, for example sand, fertilizers, and granules of plastics, most often made of thick woven polyethylene or polypropylene, either coated or uncoated.

** Other Made-ups include Tents, Sails, Rags, Embroidery (without visible ground) & Accessories.

LEADING MARKETS

Value in USD Mn

Markets	Apr-Feb 2013-14	Apr-Feb 2012-13	Net Change	% Change
UAE	473.15	336.47	136.68	40.62
USA	386.47	344.18	42.29	12.29
TURKEY	257.45	272.83	-15.38	-5.64
SAUDI ARABIA	162.97	191.96	-28.99	-15.10
ITALY	157.58	150.77	6.81	4.52
BRAZIL	157.58	145.14	12.44	8.57
BELGIUM	130.32	116.25	14.07	12.10
SRI LANKA	125.28	84.70	40.58	47.91
NETHERLANDS	85.85	75.54	10.31	13.65
SPAIN	84.17	65.77	18.40	27.98
HONG KONG	78.05	64.29	13.76	21.40
BENIN	71.13	37.05	34.08	91.98
KOREA, DEM	70.19	56.31	13.88	24.65
COSTA RICA	60.11	52.65	7.46	14.17
VIETNAM, DEM	58.42	45.40	13.02	28.68
MOLDOVA, REP OF	53.57	53.94	-0.37	-0.69
PERU	49.69	52.97	-3.28	-6.19

MAJOR MARKETS FOR MMF FABRICS

Value in USD MN

Markets	Apr-Feb 2013-14	Apr-Feb 2012-13	Net Change	% Change
UAE	330.91	241.58	89.33	36.98
SRI LANKA	96.20	65.86	30.34	46.07
USA	92.38	88.92	3.46	3.89
SAUDI ARABIA	81.83	116.19	-34.36	-29.57
HONG KONG	58.44	47.37	11.07	23.37
VIETNAM, DEMO	51.54	41.15	10.39	25.25
SINGAPORE	40.41	31.15	9.26	29.73
ITALY	36.25	35.94	0.31	0.86
KOREA, DEMO	33.67	25.77	7.90	30.66
SPAIN	33.37	30.41	2.96	9.73
COTE D IVOIRE	28.75	15.87	12.88	81.16
CHINA	27.31	26.64	0.67	2.52
IRAQ	21.21	18.59	2.62	14.09
BELGIUM	21.46	17.37	4.09	23.55
BENIN	20.83	8.15	12.68	155.58
KUWAIT	18.89	20.91	-2.02	-9.66

MAJOR MARKETS FOR MMF YARN

Value in USD Mn

Markets	Apr-Jan 2013-14	Apr-Jan 2012-13	Net Change	% Change
TURKEY	232.91	198.56	34.35	17.30
BRAZIL	148.84	138.59	10.25	7.40
USA	101.32	95.79	5.53	5.77
PAKISTAN	64.49	43.35	21.14	48.77
BELGIUM	59.16	61.01	-1.85	-3.03

Markets	Apr-Jan 2013-14	Apr-Jan 2012-13	Net Change	% Change
COSTA RICA	57.03	47.90	9.13	19.06
MOLDOVA, REP OF	43.01	39.17	3.84	9.80
PERU	30.82	37.31	-6.49	-17.39
NETHERLANDS	29.74	22.63	7.11	31.42
GUADELOUPE	29.13	32.23	-3.10	-9.62
ITALY	27.90	24.39	3.51	14.39
UAE	27.52	33.07	-5.55	-16.78
KOREA, DEM	26.97	20.73	6.24	30.10
SRI LANKA	19.26	15.01	4.25	28.31
SAUDI ARABIA	18.79	16.55	2.24	13.53
Egypt/U.A.R.	17.22	39.62	-22.40	-56.54
DJIBOUTI	15.82	14.01	1.81	12.92

MAJOR MARKETS FOR MMF MADE-UPS

Value in USD Mn

Markets	Apr-Feb 2013-14	Apr-Feb 2012-13	Net Change	% Change
USA	146.17	122.29	23.88	19.53
SAUDI ARABIA	120.54	70.33	50.21	71.39
ITALY	62.48	56.51	5.97	10.56
UAE	52.44	41.47	10.97	26.45
BENIN	49.63	26.91	22.72	84.43
SPAIN	43.18	27.72	15.46	55.77
CROATIA	39.21	23.15	16.06	69.37
NETHERLANDS	30.12	24.69	5.43	21.99
FRANCE	24.89	16.64	8.25	49.58
BELGIUM	22.73	15.77	6.96	44.13
HONG KONG	16.87	14.39	2.48	17.23
UK	16.25	10.86	5.39	49.63
GERMANY	15.71	15.37	0.34	2.21
AUSTRALIA	14.87	12.93	1.94	15.00
CANADA	12.69	9.67	3.02	31.23
ZAMBIA	9.31	12.09	-2.78	-22.99
BANGLADESH	9.05	4.88	4.17	85.45

Conclusion:

During February 2014 exports recorded only 16% growth, however during previous two months average growth in exports was over 25%. The Indian rupee has surprisingly appreciated around 10% during January-March 2014. Rupee appreciation is likely to have an adverse impact on the competitiveness of our exports and hence growth rate in exports may slide downwards a little bit. Better economic scenario in the US and sign of stable economic conditions in the Euro zone which together account for more 30% of our exports, are encouraging factors. However, withdrawal of GPS facility to India by EU is a matter of concern for our exports to the Euro Zone. As far as products are concerned polyester filament fabrics, polyester-viscose fabrics, polyester yarn, polyester-cotton yarn, muffler, shawls/scarves, polyester staple fibre, etc. will remain the dominant products in the export basket.

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Attention: Members

INDIAN TRADE CLASSIFICATION (HS) CODES FOR MAN-MADE FIBRE TEXTILES

A detailed ITC HS Code Book for Indian Man-made Fibre Textiles is available with the Council. The Book contains Chapter-wise (54 to 63) HS Codes for the following Products.

- Fabrics
- Yarns
- Made-ups
- Fibre

The Book is available for ₹ 112 (including Service Tax), which can be obtained from the Head office or Regional Offices of the Council at Delhi and Surat on payment by cash or on the receipt of Demand Draft (in favour of "The Synthetic & Rayon Textiles Export Promotion Council, Mumbai) for the requisite amount. Please add ₹ 50/- for mailing charges, if you require the Book through courier.

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.