INFO SRTEPC

Vol. No.3 | Issue No.5 | August, 2014 | ₹ 50/- | MUMBAI

R.N.I. No. MAHENG / 2012 / 45923
Published on 20th August, 2014

SRTEPC MEETING WITH MEMBERS OF THE HIGH LEVEL DRAWBACK COMMITTEE

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) made a presentation before the Drawback Committee on 13th August 2014 at Hotel Trident in Mumbai. The Drawback Committee has been constituted

Chairman, SRTEPC Shri Rakesh Mehra welcomes Dr. Saumitra Chaudhuri, Chairman of the Drawback Committee

by the Ministry of Finance, Government of India for looking into the various aspects of the Duty Drawback Scheme and to recommend the All Industry Rates of Duty Drawback for different export products. The Drawback Committee members present at the Council's presentation meeting include Dr. Saumitra Chaudhuri (Chairman); Shri G.K. Pillai (Member); Ms. Shobha Chary (Member); Shri Gautam Ray (Member) and Shri Rajiv Talwar, Joint Secretary (Drawback). The Drawback Committee Meeting is a part of the annual exercise of the Department of Revenue to review all existing Drawback rates by considering the various aspects including duty structure in the Union Budget. The main objective of the Committee is to interact with the administrative Ministers, Export Promotion Councils, Commodity Boards, trade bodies and other stake holders so as to elicit their views on the existing Duty Drawback Scheme and work out the modalities for calculation of duty drawback and suggest AIRs of Duty Drawback for the year 2014 for the existing items as also for

Shri Sanjay Kumar Panda takes charge as the Secretary, Ministry of Textiles

Shri Sanjay Kumar Panda, a 1980 batch IAS officer, has taken charge as the new Secretary, Ministry of Textiles from 1st August 2014. Shri Panda, who succeeds Smt. Zohra Chatterji, was serving as Chief Secretary, Government of Tripura since May 2010. SRTEPC warmly welcomes the new Secretary to the Indian textile family, in general and synthetic textile exporters in particular. Chairman, SRTEPC in his greeting message has assured the Secretary Textiles wholehearted co-operation and support for all initiatives taken for the benefit of the textile industry. The Council is confident that under the dynamic guidance and leadership of the new Secretary (Textiles), the exports of man-made fibre textiles would reach newer heights.

A post-graduate in Chemistry from the Utkal University. Shri Panda hails from Cuttack, Orissa and has handled various departments, including Home, Planning and Education, in the Tripura Government. He is credited with conceptualizing the scaling-up of higher education system in Tripura.

Prior to that, he had handled Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homoeopathy (AYUSH) scheme as Joint Secretary in the Government of India.

In 1989-94, he was Director Textiles and Managing Director of State Silk & Tassar Cooperative Society in Odisha, during which he gave a fillip to sericulture activities in the state.

In 1994-95, he served as Secretary in Textile Department, Tripura overseeing the textiles and handloom sectors.

An avid literateur, Mr. Panda has also published a book titled "Corporate Social Responsibility in India: Past, Present and Future" in 2008.

The Presentation in progress

new items as may be suggested by the stake holders. Based on the Presentation Meetings the Drawback Committee would work out the methodology for calculation of All Industry Rates of Duty Drawback, interalia, on the basis of changes made in the duties in the Budget 2014-15.

View of the Meeting

Shri Rakesh Mehra, Chairman of the Council welcomed the members of the Drawback Committee with a bouquet. The Meeting was also attended by the members of the Committee of Administration of the Council.

In his opening remarks, the Chairman of the Council stressed on the need for enhancement in the Drawback Rates for all synthetic textile items. He has highlighted the increasing cost of product due to various duties and levies. He also stated that cost of production of MMF textiles is high due to pending issues like fibre neutrality. The Chairman said that like other textile products, MMF textile items have never been included in the quota system and the industry has come up on its own through the various promotional programmes being organized by the Council in various markets.

The Chairman also pointed out that after the removal of DEPB Scheme, exports of MMF textiles have been adversely affected. In this connection to understand the global export trends Dr. Chaudhuri advised the Council to provide the latest data on global exports on MMF textiles.

The Council made detailed presentation with calculations for various product lines such as yarn, polyester spun yarn, polyester filament yarn, polyester staple fibre, viscose staple fibre, partially oriented yarn, polyester texturised yarn, polyester filament fabrics, woven fabrics, non-woven fabrics, made-ups, etc. with justification for an increase in the existing drawback rates for all these products. It was informed that the Council would submit more proposals for fixing Drawback for additional items along with the necessary supporting documents which was agreed by the Committee.

Dr. Saumitra Chaudhuri, Chairman of the Drawback Committee (second from left) interacting with the members of the Committee of Administration during the Drawback Presentation. Also seen in picture are l to r Shri Rajiv Talwar, Joint Secretary (Drawback); Shri G.K. Pillai, Member, Drawback Committee and Ms. Shobha Chary, member, Drawback Committee.

Dr. Saumitra Chaudhuri also advised the Council to send all the supporting documents for all the calculations to take a considerate view on DBK for the current year.

MR. V. ANIL KUMAR TAKES CHARGE AS EXECUTIVE DIRECTOR

Mr. V. Anil Kumar has taken charge as the Executive Director of the Council with effect from 1st August 2014.

Mr. Anil Kumar is a M. Phil in Applied Economics, Centre for Development Studies (Trivandrum) affiliated to the Jawaharlal Nehru University. He has vast experience of 23 years in consultancy and policy advisory. Mr. Anil Kumar was working with the National Productivity Council (NPC) as Deputy Director and was an Associate Editor of a bi-monthly magazine "Productivity News" at NPC. He also worked on deputation as Joint Chief at the National Manufacturing Competitiveness Council (NMCC) for a period of five years during 2006 to 2011 where he was dealing with the textiles and clothing sector.

We at the Council wish him a fruitful and rewarding tenure at the Council.

PRINTER, PUBLISHER & EDITOR : V. ANIL KUMAR

EDITORIAL TEAM : SRIJIB ROY, KRIPABAR BARUAH

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

REGIONAL OFFICES :

SURAT
The Synthetic & Rayon Textiles
Export Promotion Council,
Block No. 4DE, 4th Flr., Resham Bhavan,
Lal Dharwaja, Surat - 395 003
Phone : 0261-242 3184
Fax : 0261-242 1756
E-mail : surat@srtepc.org

NEW DELHI
The Synthetic & Rayon Textiles
Export Promotion Council,
Surya Kiran Building,
Flat No. 602, 6th Floor,
19, Kasturba Gandhi Marg,
New Delhi - 110 001
Phone : 011-2373 3090/92
Fax : 011-2373 3091
E-mail : delhi@srtepc.org

Printed, published and edited by **V. ANIL KUMAR** on behalf of **THE SYNTHETIC & RAYON TEXTILES EXPORT PROMOTION COUNCIL,** Printed at **Kukreja Arts,** Works, 65 Ideal Ind. Estate, Senapati Bapat Marg, Opp. Empire Dying, Lower Parel, Mumbai - 400 013 & Published from **The Synthetic & Rayon Textiles Export Promotion Council,** Resham Bhavan, 78 Veer Nariman Road, Churchgate, Mumbai - 400 020.

Editor: **V. ANIL KUMAR**

CONTENTS

MESSAGE FROM THE CHAIRMAN

Dear Member,

I am glad to inform you that the Council had given a detailed presentation on Duty Drawback rates for synthetic textiles for the year 2014-15 before the Drawback Committee headed by Dr. Saumitra Chaudhuri in Mumbai on 13th August 2014. The other members of the Committee include Shri G. K. Pillai, Ms. Shobha Chary and Shri Gautam Ray and Shri Rajiv Talwar, Joint Secretary (Drawback). During the discussion I have reiterated the urgent need for enhancement in the Duty Drawback rates for synthetic textile products whose exports are mired due to incidence of taxes, duties and other infrastructure related issues, ultimately affecting the competitiveness of the MMF textiles exports. The Council through its deliberation informed that increase in the drawback rates is vital to encourage exports of synthetic textile items which have high potential for exports. I am confident that Council's detailed proposals will be considered favourably by the Committee and accordingly recommend to the Government for increasing Drawback rates for the synthetic textile items, by which exports of MMF can gain new heights in the near future.

Let me take this opportunity to welcome Shri Sanjay Kumar Panda who has taken over as the new Secretary Textiles on 1st August, 2014. We at the Council extend our warm greetings to him and hope that under his able guidance and leadership exports of man-made fibre textiles would achieve greater heights. I would also like to welcome Ms. Sunaina Tomar who has recently taken over as the Joint Secretary (Exports), and wish to offer full cooperation and support from Council for furthering the cause of MMF exports.

I am pleased to inform you that Council has successfully organized the first ever Exhibitions in Sudan and Ethiopia. All the twenty member companies participated from India in these events were satisfied with the outcome, as they could hold fruitful business interactions with prospective buyers/importers in the Sudanese and Ethiopian markets, while showcasing their exclusive range of yarn, fabrics and made-ups. I may mention here that the Council in its endeavour to promote exports of MMF textiles overseas has further planned Exhibitions/Fairs in both the new and emerging markets as well as the traditional markets. The Council is organizing follow up exhibitions in Bangladesh during Sept. 30 to Oct. 1, 2014, first ever Exhibition in Myanmar during October 15-16, 2014 and in Iran by end of this year. I am certain that the members of the Council would participate in large numbers to make these events successful and thus give MMF exports a boost in the coming period.

I would like to inform you that the Council will be holding its Annual General Meeting at 2.30 p.m. on Friday 26th September 2014 at The Ambassador Hotel in Mumbai. The Annual Report for the year 2013-14 is being sent to you. I request the members to be present on the occasion of the Annual General Meeting.

With warm regards,

Yours sincerely,

RAKESH MEHRA
CHAIRMAN

PAKISTAN

Textile exports up 5.30% during 2013-14

The textile exports from the country witnessed an increase of 5.30 percent during the fiscal year 2013-14 compared to the corresponding period of last year. The overall textile exports from the country during July-June (2013-14) were recorded at $13.738 billion compared to the exports of $13.047 billion in July-June, it has been reported.

The textile products that contributed in the positive growth of trade included raw cotton, exports of which increased by 33.27 percent by going up from $153.929 million last year to $205.139million during the fiscal year 2013-14. Similarly, the exports of cotton cloth increased by 3.11percent from $2,689.832 million to $2,773.564 million whereas the exports of yarn (other than cotton yarn) increased by 12.82 percent by going up from $38.476 million to $43.409 million.

According to data, exports of knitwear increased from $2,042.958 million to $2,258.054 million, an increase of 10.53 percent whereas the exports of bed wear increased from $1,785.417 million to $2,258.054 million, showing an increase of 19.78 percent. Readymade garments also witnessed 8.67 percent in exports by going up from $1,799.591 million to $1,955.636 million and the exports of made up articles (excluding towels) increased by 11.41percent, from $598.640 million to $666.929 million.

On the other hand, the products that witnessed negative growth in trade included cotton yarn, exports of which decreased by 11.65 percent. The exports of cotton yarn decreased from $2,252.952 million to $1,990.529 million. The exports of cotton (carded or combed) also deceased by 53.30 percent by going down from $13.632 million to $6.366 million whereas the exports of tents, canvas and tarpaulin decreased by 30.07 percent, from $117.463 million to $82.147 million.

The exports of art, silk and synthetic textile also decreased by 5.47 percent, from $405.683million to $383.476 million, the data reported. The exports of all other textile materials increased by 23.24 percent during the period under review by surging from $379.394 million to $467.552 million. It is pertinent to mention here that Pakistan's trade deficit narrowed by 2.48percent during the fiscal year 2013-14 as exports expanded by 2.75 percent while imports witnessing slight increase of 0.36 percent as compared to the same period of last year. The exports from the country during July-June (2013-14) were recorded at $25.132 billion against the exports of $24.460 billion recorded during July-June 2012-13.

Share of textile exports up

The share of textiles in total exports of Pakistan increased to 64 percent in July; although textile exports registered a drop of 2.37 percent mainly due to weakening spinning and weaving sectors, it has been reported.

Exports fell by 7.8 percent in the first month of this fiscal year to $1.929 billion in July 2014 from $2.094 billion in July 2013. The monthly textile exports slid to $1.169 billion from $1.197 billion. All high power consuming sectors, including weaving and spinning, experienced a drop in exports.

It is believed that the European Union's generalised scheme of preferences status prevented exports of textiles from a plunge.

Yarn exports dived by 35.32 percent to $211.58 million in July 2014. Exports of fabric fell 43 percent in quantity and 8.13 percent in value.

Since weaving sector operated at 60 percent of production capacity due to power supply shortfall, fabric production went down.

Exports of knitwear, bed wear, towels and readymade garments rose by 21.66 percent, 14.54 percent, 7.43 percent and 3.76 percent, respectively, in July; the surge was owing to zero-rated access the value-added textile sector got from EU this year.

VIETNAM

Textile exports to US up

Vietnam's textile and apparel exports to the U.S. have continued to surge in 2014, it has been reported. Vietnam's apparel sector is also positioned to gain additional advantages under a proposed new free trade agreement that will bolster their ability to penetrate the U.S. market.

In a year-over-year comparison, the top apparel suppliers to the U.S. showed a decrease in exports for the first five months of 2014, with the exception of Vietnam. Vietnam's meteoric rise now ranks it as the second largest supplier of textiles and apparel to the U.S. market. Since 2007, Vietnam's total textile and apparel exports to the U.S. have doubled. Vietnam is currently responsible for 11.5% of all U.S. apparel imports.

U.S. textile and apparel imports from Vietnam have grown from $49 million in 2001 to $8.8 billion in 2013. The country's annual export growth has routinely topped 15%. Vietnam stands to gain even greater access to the U.S. market upon conclusion of the TPP agreement and any preferential duty treatment the agreement affords.

According to data for 2014, the U.S. imported $3.8 billion worth of textiles and apparel from Vietnam from January-May, with a 14% increase over exports during the same five month period in 2013.

Textile and clothing top export earner

Garment and textile continued to top Vietnam's export revenue with US$ 2.1 in July, up 11.1 percent against the previous month, and 17.4 percent year-on-year, it has been reported.

In the first seven months of 2014, Vietnam's export revenue of garment and textile reached US$ 11.48 billion, up 19.4 percent year-on-year. It is learnt that during the period, Vietnam saw two-figure growth in garment and textile exports to most of its major markets, including the United States (up 14.85 percent year-on-year), the European Union (up 26 percent), Japan (up 13.82 percent) and South Korea (up 36 percent) among others.

Vietnam emerges sourcing hub for Western buyers

Western apparel brands and retailers are cutting back on sourcing from China, due to rising costs there and many of them are turning to Vietnam, it has been reported.

Buyers have limited options, however, as no other single country is able to provide the capacity, quality, skills variety and complete supply chain offered by the Chinese textile and clothing industry. With the prevailing factory safety concerns in Bangladesh, and recent labor unrest in Cambodia, In 2013

U.S. textile and clothing imports from Vietnam has also gone up. In addition, negotiations are aimed at establishing a Trans-Pacific Partnership (TPP) free trade agreement, which would provide tariff benefits and flexible rules of origin for Vietnamese imports into the U.S.

Vietnam growth has been slower in the EU import market, with Cambodia and Bangladesh seeing larger increases in 2013, and Vietnam growth increasing to 14.5 percent from January-March 2014.

TAIWAN

Textile exports drops in the first half of 2014

Taiwan's textile exports for the first six months of 2014 fell slightly year-on-year in reflection of falling product prices, it has been reported.

According to the report, exports of Taiwan-made textile products, including ready-to-wear garments and upstream fabrics, totaled US$5.81 billion in the six-month period, down 0.3 percent from a year earlier.

The fall resulted from a slight downtrend in unit product prices, in particular the price of artificial fibers.

Meanwhile, Taiwan's textile imports increased by an annual 2.9 percent to NT$1.59 billion in the first half of the year.

According to data the local textile sector registered a trade surplus of US$4.22 billion in the first half, down 1.4 percent from a year earlier.

In June alone, Taiwan's textile exports totaled US$982 million, down 1.4 percent from a year earlier, while imports rose by an annual 11 percent to US$261 million.

Last month, the local textile sector's trade surplus fell 5.3 percent year-on-year to US$721 million.

EUROPE

Bright prospects for EU textile and clothing sector during the last quarter of 2013 bright

The European textile and clothing sector continued with its good performance of the last quarter of 2013 in the first quarter of the current year, it has been reported.

During the quarter, the production of synthetic fibres increased by 6.3 percent year-on-year, while production of textiles, including yarn and fabric, increased by 3.2 percent, and of clothing by 2.2 percent.

In term of business turnover, there was a 5.1 percent year-on-year increase in the textile segment, and 0.8 percent rise in the clothing segment.

Retail sales of textiles and clothing increased by 3.7 percent year-on-year during the three-month period, recording the largest quarterly increase in the last three years.

An increase was also recorded in the European textile and clothing exports from January to March 2014. Textile exports increased by 2.8 percent year-on-year to €5.1 billion, whereas garment exports grew by 3.2 percent to €5.7 billion. The largest increase of 11.7 percent was recorded in exports to China, followed by 10.5 percent growth in exports to the US. However, exports to Russia declined by 4 percent.

On the other hand, the growth of retail sales helped to increase imports during the quarter. Textile imports were up 8.2 percent year-on-year to €6.9 billion, while clothing exports rose 6.1 percent to €18 billion. The largest increase of 26.4 percent was recorded in imports from Pakistan, followed by an increase of 15.3 percent in imports from Bangladesh, 5 percent in imports from Turkey and 3.1 percent in imports from China.

However, average prices of imported textile and apparel goods fell between 4 to 6 percent during the quarter, compared to the same quarter of last year.

CHINA

Synthetic textile production up

The production of synthetic fibre, yarn and fabric in the Chinese textile industry increased in the first six months of the current year, it has been reported.

According to the data, China's synthetic fibre output in June 2014 stood at 3.886 million tons, representing month-on-month growth of 1.75 percent, and year-on-year increase of 7.2 percent. In the first half of 2014, cumulative man-made fibre (MMF) production was 21.368 million tons, which is an increase of 7.5 percent year-on-year.

China produced 3.43 million tons of yarn in June 2014, showing a month-on-month growth of 5.8 percent, and a year-on-year increase of 10.1 percent. Yarn production from January to June totaled 18.467 million tons, registering an increase of 8.7 percent year-on-year.

In June 2014, China's fabric output was 6.41 billion metres, up 9.01 percent month-on-month, and 4.4 percent year-on-year. During January-June 2014, total fabric production grew at 3 percent year-on-year to 33.43 billion metres.

NICARAGUA

Textile industry tries to woo new investors

The Nicaraguan textile industry is attempting to attract new investors in order to sustain the employment of people working in the textile and apparel industries.

This has also become important for Nicaraguan textile and garment industry in view of the possibility of non-approval of the extension of the Tariff Preference Level (TPL) by the United States for ten more years. TPL allows Nicaragua to duty-free export clothing made of yarns and fabrics from third countries, to US for a maximum of 100 million square meters per year.

❖❖

(Excerpts taken from Fibre2fashion and other textile related websites)

Procedure for exports simplified by RBI

The Reserve Bank of India (RBI) has liberalised and simplified the procedure for the export of goods and services (project exports).

As per a notification issued by the RBI's Chief General Manager, Shri C.D. Srinivasan. Authorised banks and the Exim Bank could now consider giving post-award approvals without any monetary limit and permit subsequent changes in the terms of post-award approval within the relevant Foreign Exchange Management Act (FEMA) guidelines.

Earlier, permission from the working group, consisting of Exim Bank, Export Credit Guarantee Corporation (ECGC) and the RBI, was required for the project exports and deferred service exports proposals for contracts exceeding $100 million.

Project and service exporters may accordingly approach authorized banks or Exim Bank based on their commercial judgement as advised by apex bank.

Textile export target fixed at $45 billion for 2014-15

The Ministry of Textiles in consultation with the stakeholders of the industry fixed the export target for textiles for the year 2014-15 at $45 billion.

Exports of textile products are supported through different schemes under Foreign Trade Policy e.g. Focus Market Scheme, Market Linked Focus Product Scheme, Focus Product Scheme and Duty Drawback Scheme.

Exporters of textile products from the country can also avail duty free import of capital Goods under Export Promotion Capital Goods and raw material under Advance Authorisation Scheme.

Benefit of interest subvention at the rate of 2 per cent, available for certain products of textile, was enhanced to 3 per cent with effect from August 2013 under Interest Subvention Scheme.

Trade expected to improve with Pakistan granting MFN status to India

Pakistan has yet to grant the most favoured nation (MFN) status to India while India has already granted the status in 1996. The granting of MFN status to India by Pakistan will open new clear direct trade between the two countries and also help in reducing transactions cost.

It is believed that with the grant of MFN status the trade would then take place bilaterally at significantly lower cost. It will also restore Pakistan's international commitment under WTO of reciprocity to MFN status.

India will also gain considerably by restoration of direct trade connectivity with Pakistan which is estimated to raise the country's exports quite substantially.

At present trade between India and Pakistan takes place through UAE and Singapore to the tune of USD 3 billion as reported. The two-way commerce between the countries stands at USD 2.72 billion. The total bilateral trade is expected to rise to the level of USD 10-12 billion in the years to come, as per experts.

Pakistan has decided to postpone grant of Non-Discriminatory Market Access (NDMA) status to India due to lack of consensus at home. To avoid political ramifications, the Pakistan government has chosen NDMA that is nomenclature for giving India the MFN status.

India's main exports to Pakistan include man-made filaments, chemicals and sugar, while its imports comprise mineral fuels, among others.

Textile and clothing exports to touch US$ 300 billion by the year 2024-25

The Government proposes to rearrange labour laws, make special efforts to attract foreign investment and enter new markets with high export potential, such as Japan, China, Brazil and Russia to grab one-fifth of the global textile business and increase exports to $300 billion in the next decade.

The action plan entails attracting investment of about $ 120 billion by 2024-25 and creating about 35 million additional jobs in the process. As part of the policy's objectives, Indian textile and apparel exports are also expected to rise from $ 39 billion at present to $ 300 billion by the year 2024-25.

The proposals are part of the vision strategy framed by the expert committee on textiles, and will be used as inputs for the National Textile Policy.

The strategy paper also proposes making special efforts to attract Foreign Direct Investment (FDI) into the sector with special attention to high priority sub-segments of fabrics, processing, garments, technical textile and textile machinery manufacturing.

Market diversification is a primary area where the Ministry intends to focus. With the EU and US constituting 50 per cent of the total textile and apparel exports from India in 2012, the expert committee said that a higher share in global trade (currently, it is at 5 per cent) can be attained only if Indian exporters also start looking beyond traditional products and markets.

It is also learnt that specific strategies for achieving significant market penetration with a market share and product-mix target need to be evolved for individual countries such as Japan, China, Brazil, Russia.

The Ministry of Textiles had initiated the process of reviewing the National Textile Policy, 2000 keeping in view the various changes in the textile industry on the domestic and international fronts and the need for a roadmap for the textile & apparel industry.

Management Information System for skill development launched

The Hon'ble Minister of State for Textiles (Independent Charge), Shri Santosh Kumar Gangwar launched the central Management Information System (MIS) for Integrated Skills Development Scheme (ISDS), a flagship scheme of Ministry of Textiles. ISDS envisages training of fifteen lakh persons in textile and allied sectors over the period of the 12th Year Plan.

The Scheme provides for an MIS system to ensure transparency and Skills Exchange, which is developed with a view to monitor the progress of the Scheme.

The MIS is equipped with generation of "Customised report" for various relevant indicators of the scheme at any given point of time. This will enable the users to generate dynamic reports as per the requirement.

India-Egypt bilateral trade brightens

Shri Navdeep Suri, India's Ambassador to Egypt met the Egyptian Prime Minister Mr. Ibrahim Mahlab and discussed bilateral relations, industrial cooperation and the measures to promote economic engagements between the two countries, it has been reported.

The India-Egyptian bilateral trade and investment has increased in the past four years, and is now USD 5 billion as compared with USD 3 billion in 2010.

It is learnt that Egyptian exports to India have surged in value to USD 2.3 billion in 2014 compared to USD 1.6 billion in 2010.

Among top Egyptian exports to India are petroleum products, cotton, phosphates, coke and leather. In return, India has invested around USD 2.5 billion in Egypt, largely in textiles, SMEs and industry.

Textile Minister asks for textile sector to be linked to MGNREGA

Hon'ble Union Minister of State for Textiles (IC) Shri Santosh Gangwar has requested the Hon'ble Prime Minister Shri Narendra Modi that the entire textile sector, including garments and fibre, be linked to the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA), it has been reported.

It is believed that the proposal, if accepted, will not only guarantee minimum wages to workers in the textile sector but also ensure adequate availability of labour for manufacturers.

The Textiles Ministry is also in talks with the Labour Ministry for streamlining the labour laws for the sector which may form part of the National Textiles Policy.

The new Textiles Policy will have a vision statement for the sector for the next 10 years that would include the target of trebling India's market share in the world from the current 4 per cent.

The Hon'ble Union Minister of Finance, Shri Arun Jaitley had announced in the Budget setting up of 25 textile parks.

The textile industry, especially garments manufacturers, has been long demanding that the MGNREGA scheme be available for workers who seek employment in their sector. The industry has been facing a shortage of labour during peak demand season, as many workers prefer to work under MGNREGA schemes that guarantee minimum wages for a minimum 100 days in a year for every household.

The MGNREGA scheme has already been extended for silk cultivation, and a proposal had been made by the previous UPA Government to extend it to the handloom sector.

The textile sector is the second largest employment generating sector after agriculture in the country employing about 35 million people.

20% fall in yarn exports in the first quarter of 2014

Yarn exports from India have fallen about 20% year-on-year in the first quarter ended June, it has been reported. This can be largely attributed to falling demand from China, but spinners believe it's a temporary issue and exports are expected to improve September onwards.

Yarn exports from the country dropped to about 100 million kg in April and, according to industry estimate, further to 90 million kg each in May and June, after having average monthly exports of about 120 million kg in 2013-14, which was 33% more than the previous year.

Indian yarn exporters are facing problems in Europe too, with Pakistan diverting its exports to EU, taking advantage of the 9.65% additional benefit under generalised system of preferences (GSP) Plus agreement.

But the industry is confident about better days in coming months.

Demand from within the country has also started improving ahead of the festival season.

Export benefits to Iran extended

Exports to Iran in Indian rupee will also be entitled for trade benefits as available to exporters realising proceeds in freely convertible currencies, it has been reported.

The Director General of Foreign Trade (DGFT) in its notification has said that export proceeds against exports to Iran realised in Indian rupees are permitted to avail exports benefits / incentives under the Foreign Trade Policy, 2009-14, at par with export proceeds realised in freely convertible currency.

Indian exporters mainly trade in freely convertible currencies including US dollar and euro. The government provides export incentives under different schemes, including Focus Market Scheme, to exporters realising their proceeds in such currencies.

Iran makes payment in rupees to Indian exporters after the Western countries imposed sanctions on it.

To increase bilateral trade, the government in April had also waived the value addition norms for exporters shipping imported items like food and pharmaceuticals to Iran.

Besides food products, India mainly exports to Iran pharmaceuticals, machinery, transport equipment, chemicals, man-made yarns and fabrics and steel.

The bilateral trade between the two countries stood at $15.25 billion in 2013-14.

India is one of the biggest oil importers from Iran. Since February 2013, when the US blocked payment channels to Iran for its nuclear programme, India has been paying 45 per cent of its Iran oil bill in rupees through a UCO Bank branch in Kolkata.

India has steadily cut imports from Iran as the sanctions from US and other Western countries blocked payment channels and crippled shipping routes.

It imported 21.20 million tonnes of crude oil from Iran in 2009-10, which came down to 18.50 million tonnes in 2010-11 and 18.11 million tonnes in 2011-12.

Crude oil imports from Iran were reduced to 13.14 million tonnes in 2012-13, the year when the US had imposed sanctions on Iran.

Prime Minister to review the Foreign Trade Policy (FTP)

The Hon'ble Prime Minister, Mr Narendra Modi, recently met with the Hon'ble Union Minister of State for Commerce & Industry (IC) Ms Nirmala Sitharaman, to review the upcoming foreign trade policy (FTP) likely to be announced soon, it has been reported.

Pushing for greater diversification of the export basket, the Hon'ble Prime Minister called for boosting the exports of items that have real demand abroad rather than the ones that are more in supply.

The Prime Minister wants the new FTP to take a fresh view on augmenting exports, which reached $312 billion in FY14, up 4 per cent over $300 billion in the previous year.

The FTP would be effective from 2014 through to 2019. It will have three main areas of focus relating to ease of doing business, reduction in transaction costs and better use of free trade agreements, it is learnt.

The Hon'ble Union Minister of State for Commerce & Industry, Ms. Nirmala Sitharaman has further informed that the new foreign trade policy (FTP) will focus on ways to boost manufacturing sector and exports besides addressing the SEZ issues.

The Minister has said that the refreshing thing about this time's policy would be to understand where the country's strength lies and the challenges available. Manufacturing is expected to be the core of it and SEZ would also figure in the FTP, which till now had been only a compilation of schemes to boost exports and regulate imports.

The minister said the FTP for 2014-19 would also mention about the schemes and incentives besides ensuring that the announcements are WTO compliant and "making sure that international obligation are not violated".

The government is looking at the demands of SEZ developers and units on minimum alternative tax (MAT) and dividend distribution tax (DDT).

Industry is time and again demanding roll back of MAT and DDT, saying imposition of the duty has adversely impacted the growth of these zones.

The commerce ministry is also reviewing issues related to infrastructure for non-core uses of the SEZs, non-export component like the residential and healthcare accommodation, use of land within the SEZ for non-core purposes.

Indian manufacturers are also asking for similar facilities which SEZs are enjoying.

India's exports in the last three years have been hovering around $300 billion. India's exports in 2013-14 fell short of the $325 billion target and managed to reach $312.35 billion. The country's exports stood at $300.4 billion in 2012-13 and $307 billion in 2011-12.

Textile sector gets FDI worth nearly $200 billion during 2013-14

Foreign direct investment (FDI) of $199 billion was made in India's textile sector in the financial year 2013-14, it has been reported. Thereafter, according to the Textiles Ministry the country's textile sector attracted FDI worth $ 11.70 million for the period April-May 2014.

It is learnt that the government is implementing various schemes to ensure the maximum utilisation of FDI in textile sector like Technology Upgradation Fund Scheme (TUFS), Scheme for Integrated Textile Parks (SITP), Integrated Skill Development Scheme (ISDS), Scheme for development of Technical Textiles, and Schemes for the development of the Powerloom Sector etc.

Signalling a positive shift in India's textile export, the country's exports were to the tune of $36.69 billion during 2013 from $32.88 billion in 2012 – up 11.58 percent.

The country exported textile, clothing and handicrafts worth $34.93 billion during April-March, 2012-13. Exports of clothing and textiles brought foreign currency inflows of $35.42 billion during April-May, 2014-15, up 12.75 percent from $31.62 billion during 2012-13. It has been reported that exports of clothing and textiles stood at $32.94 billion in 2011-12.

China's textile exports grew to $274.05 billion during 2013 from $246.12 billion during calendar 2012.

European Union's textile exports grew to $56.11 billion from $53.057 billion and the US's $26.76 billion from $26.56 billion in the like period.

The government is helping the industry in exploring new markets by holding exhibitions in the Russian Federation, Israel, Eastern Europe, Latin American countries and other non-traditional markets by providing grants under market access initiative and market development assistance scheme for this purpose.

Mauritius highest foreign direct investor in the textile & clothing industry

In a three-year period, Mauritius was the highest foreign direct investor in the Indian textile and apparel sector, accounting for a little less than 50 percent of the FDI inflows into the Indian textile sector.

In the period between fiscal years 2011-12 and 2013-14, the Indian textile industry received FDI from Mauritius totalling to $215.12 million or a little less than 50 percent of the total FDI inflows into the sector.

In the three-year period, the Indian textile and apparel industry attracted overall foreign direct investment amounting to US $466.94.

During 2011-12, the Indian textile sector got an investment of $164.19 million. In 2012-13, FDI flow fell to $103.89 million, however surged to $198.86 million in 2013-14.

According to a tax treaty between India and Mauritius, capital gains can only be taxed in Mauritius and with only 3 percent in capital gains tax; hence, Mauritius is the most attractive conduit for investments into India.

Next on the list is Singapore, which poured in FDI amounting to $62.37 million in the period under review. It was recently reported that Singapore has displaced Mauritius as the number-1 FDI investor across all sectors in India.

Incidentally, Singapore too has signed a ‘Double Taxation Avoidance Agreement’ with India.

Switzerland follows with $25.62 million, followed by Luxemburg with $25.25 million, Caymen Islands another tax haven with $24.14 million, Austria with $22.06 million, Japan with 21.57 million, USA with $18.12 million and UAE $13.97 million.

In the three-year period, 35 in all countries invested in the growth story of the Indian textile and apparel sector, which is the second biggest globally after China.

Export interest subsidy to be revived

It has been reported that the commerce department has already taken up the issue of interest subsidy, which expired at the end of March, with the Finance Ministry and the extension is a certainty, given that a budgetary provision of over ₹ 1,600 crore has already been made.

What is now being debated is the sectors that would be covered by the scheme in the new five-year policy expected to be announced at the end of September.

The benefit was earlier available to sectors such as micro small and medium enterprises, textiles, handlooms, handicraft, carpets, toys, sports goods, processed products and certain engineering goods.

The interest subsidy that was available to exporters till the end of the last financial year is a crucial area.

Besides, the Directorate General of Foreign Trade which is spearheading the policy preparation is preparing a plan to rework the export promotion schemes and at least two of them — the Focus Product Scheme (FPS) and Vishesh Krishi Upaj Yojana — are expected to be merged.

Under both the schemes, the government offers transferable duty credit of 2-5% of the export value and the idea is to simplify administration of the scheme. The sources also said the coverage of the scheme is being reviewed as the dozen-odd sectors covered by the FPS are very broad and can be fine tuned to make it more focused.

❖❖

(Excerpts taken from various Financial & textile newspapers)

SRTEPC/FE05/PAKISTAN/14-15

Mr. Shuja Uddin,
CEO.
M/S. Skytex Textile Connection
55-E, Architects Housing Society,
Lahore,
PAKISTAN.
Phone : 00-92-42-35955047-49, 52
Fax : 00-92-35955053
Email : export@skytex.net.pk

Items of Interest: Polyester Filament Yarn, Polyester Spun Yarn, Viscose Filament Yarn, Viscose Spun Yarn, Polyester / Cotton Blended Yarn, Polyester / Viscose Blended Yarn.

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.

❖❖

Indian Textile Exhibition in Bangladesh
30th September to 1st October 2014

The Council is organizing an exclusive Indian Exhibition of MMF textiles (INTEXPO BANGLADESH) at Pan Pacific Sonargaon Hotel on 30th September & 1st October 2014, in association with the High Commission of India in Dhaka and with the support of some local Trade Bodies.

Participation fee for a furnished booth of 9 Sqm is ₹ **1,60,000/-**. A reimbursement of ₹ **1** lakh through MDA Grant will be given to all eligible member-participants, subject to the fulfillment of some terms & conditions relating to the MDA Grant.

The Council will carry out a programme of publicity and promotion by way of advertisements, publicity folders, direct mails, e-mail marketing, etc. with the help of a Professional Event Management Agency in co-ordination with the High Commission of India to organize various requirements of the events and to ensure the success of the Exhibition.

For further details, members may please contact Mr. Srijib Roy, Joint Director, SRTEPC or e-mail to him at E-mail : srtepc@srtepc.org/tp@srtepc.org Tel : 91-22-22048797, 22048690, Fax : 91-22-22048358.

INCREASING EXPORT OPPORTUNITIES OF INDIAN MAN-MADE FIBRE TEXTILES TO IRAN

Iran's textile industry has a history that stretches back to the 11th and 12th centuries, when the Gulf state was one of the world's premier exporters of textiles and silks to Europe, Asia and the rest of the world. Over a hundred years ago the first textile mill operating with European machinery was established in the Iranian capital Tehran. However, presently the Iranian textile industry is not doing at its glorious stage. Except its carpet industry, most of other textiles products consumed in the country are being imported. Moreover, synthetic and other blended yarns which are required for its carpet industry are also being imported.

COMPOSITION OF THE TEXTILE INDUSTRY

The Iranian textile industry is engaged in production of blankets, machine-made carpets, handmade carpets, serge, fabrics and garments. The country's textile companies are mostly based in the central provinces such as Yazd and Esfehan as well as the cities of Tehran and Qazvin, while there are also a lot of units in the northern provinces and Azerbaijan. However, local production of textile products including fibre, yarn, fabrics etc is insufficient to cater to the growing needs of the carpet and garmenting industry; hence Iran's textile industry is mostly dependent on import.

MARKET POTENTIAL

Iran is a around US$ 2 billion market for Textiles & Clothing. With population of nearly 80 million set to rise to 100 million in the next few years, Iran is a large market for textile products. Major countries who are supplying textile products to Iran are China, Korea, Germany, Turkey, etc. However, India's market share is only around 15% and hence the Iranian market offers substantial scope for Indian exporters. Moreover, the agreement between India and Iran facilitating 100% trade in rupee terms in view of the sanctions imposed by the US and EU on Iran, has opened up opportunities for exports of Indian products to Iran including textiles, garments, etc.

Imports of Textiles and Clothing by Iran during 2013

Chapter	Product	Import in 2013 value in US$ 000
50	Silk	3,130
51	Wool, animal hair, horsehair yarn and fabric thereof	35,347
52	Cotton	88,304
53	Vegetable textile fibres nes, paper yarn, woven fabric	3,914
54	Manmade filaments	543,442
55	Manmade staple fibres	526,126
56	Wadding, felt, nonwovens, yarns, twine, cordage, etc	80,990
57	Carpets and other textile floor coverings	36,646
58	Special woven or tufted fabric, lace, tapestry etc.	145,613
59	Impregnated, coated or laminated textile fabric	147,537
60	Knitted or crocheted fabric	108,404
61	Articles of apparel, accessories, knit or crochet	219,813
62	Articles of apparel, accessories, not knit or crochet	98,854
63	Other made textile articles, sets, worn clothing etc	108,568
	Total	**2,146,688**

Source: ITC UN Comtrade

IMPORT OF MANMADE FIBRE TEXTILES

Iran imported nearly US$ 1.5 billion of man-made fibre textiles during 2013 from countries like China, Korea, Turkey, Germany, etc. However, India's share was about 13%. Iran also imports cellulose-based fibers (e.g., viscose), although there is capacity for the production of synthetic fibers. Local production of the petrochemical industry is not sufficient to sustain a downstream synthetic fiber industry. Therefore, the fiber industry remains dependent on imports, however the availability of foreign exchange is a constraint for import. Thus, substantial amount of investment are undertaken by the government in production of synthetic fibers.

Iran's import of man-made filament textiles during 2013

HS Code	Product Description	Imports in 2013 (In USD 000)
540752	Woven fabrics, >/=85% of textured polyester filaments, dyed, nes	213,970
540247	Filament yarn of polyester, incl. monofilament of < 67 decitex, single	48,727
540754	Woven fabrics, >/=85% of textured polyester filaments, printed, nes	45,789
540710	Woven fab of high tenacity fi yarns of nylon oth polyamides / polyesters	31,814
540761	Woven fabric >85% non-textured polyester filaments	31,065
540244	Synthetic filament elastomeric yarn, single, untwisted or with a twist	29,004
540219	High-tenacity filament yarn of nylon or other polyamides (excl. sewing	26,803
540419	Synthetic monofilament of >= 67 decitex and with a cross sectional dim	17,862
540246	Filament yarn of polyester, incl. monofilament of < 67 decitex, single	13,656
540233	Textured yarn nes,of polyester filaments, not put up for retail sale	11,991
540252	Yarn of polyester filaments, single, >50 turns per metre, not put up	10,644
540769	Woven fabric >85% polyester filaments, nes	10,595
540772	Woven fabrics, >/=85% of synthetic filaments, dyed, nes	5,633
540792	Woven fabrics of synthetic filaments, dyed, nes	4,992
540753	Woven fabrics, >/=85% of textured polyester filaments, yarn dyed, nes	4,485
540220	High tenacity yarn (o/t sewg thread), of polyester filaments, not put up	4,123
540110	Sewing thread of synthetic filaments	2,739
540331	Yarn of viscose rayon filaments, single, untwisted, nes, not put up	2,209
540720	Woven fab obtaind from strip/the like of synthetic textile materials	1,993
540262	Yarn of polyester filaments, multiple, nes, not put up	1,973
540794	Woven fabrics of synthetic filaments, printed, nes	1,726
540261	Yarn of nylon or other polyamides fi, multiple, nes, not put up	1,689
540239	Textured yarn of synthetic filaments, nes, not put up	1,574
540751	Woven fabrics, >/=85% of textured polyester filaments, unbl or bl, nes	1,448
540742	Woven fabrics, >/=85% of nylon/other polyamides filaments, dyed, nes	1,340
540120	Sewing thread of artificial filaments	1,336
540245	Filament yarn of nylon or other polyamides, incl. monofilament of < 67	1,115
540782	Woven fabrics of synthetic filaments, <85% mixed with cotton, dyed, nes	1,093
540249	Yarn of synthetic filaments, single, untwisted, nes, not put up	952

Main countries supplying man-made filament textiles to Iran during 2013

Country
United Arab Emirates
China
Free Zones
Republic of Korea
Turkey
India
Malaysia
Chinese Taipei

Main man-made staple fibre textiles imported by Iran during 2013

HS code	Product Description	Imported in 2013 (in US$ 000)
551614	Woven fabrics, containing >/=85% of artificial staple fibres, printed	34,148
550200	Artificial filament tow	29,457
551511	Woven fab of polyester staple fib mixd w viscose rayon staple fib, nes	25,003
550951	Yarn of polyester staple fibres mixd w/arti staple fib, not put up, nes	21,038
551011	Yarn, >/=85% of artificial staple fibres, single, not put up	18,174
550130	Filament tow of acrylic or modacrylic	15,142

HS code	Product Description	Imported in 2013 (in US$ 000)
551612	Woven fabrics, containing >/=85% of artificial staple fibres, dyed	13,082
550810	Sewing thread of synthetic staple fibres	11,817
551110	Yarn, >/=85% of synthetic staple fibres, o/t sewing thread, put up	8,187
550932	Yarn, >/=85% acrylic/modacrylic staple fibres, multiple, not put up, nes	5,207
551323	Woven fab of polyester staple fib, <85%, mixd w/cot, </=170 g/m2, dyd, nes	4,762
551321	Plain weave polyester staple fib fab, <85%, mixd w/cotton, </=170 g/m2, dyd	4,365
551329	Woven fabrics of oth syn staple fib, <85% mixd w/cotton, </=170 g/m2, dyed	4,050
551219	Woven fabrics, containg >/=85% of polyester staple fibres, o/t unbl or bl	3,464
551299	Woven fabrics, containg >/=85% of other synthetic staple fib, o/t unbl/bl	2,704
550390	Synthetic staple fibres, not carded or combed, nes	2,226
551599	Woven fabrics of synthetic staple fibres, nes	2,208
551513	Woven fab of polyester staple fibres mixd w/wool / fine animal hair, nes	1,749
550630	Staple fibres of acrylic or modacrylic, carded or combed	1,655
551120	Yarn, <85% of synthetic staple fibres, put up for retail sale, nes	1,649
550911	Yarn, >/=85% nylon or other polyamides staple fibres, single, not put up	1,428
551311	Plain weave polyest stapl fib fab, <85%, mixd w/cottn, </=170g/m2, unbl/bl	1,289
551349	Woven fab of oth syn staple fib, <85%, mixed w/cot, </=170g/m2, printed	1,224
551512	Woven fabrics of polyester staple fibres mixd w man-made filaments, nes	1,166
550953	Yarn of polyester staple fibres mixed with cotton, not put up, nes	1,035
551692	Woven fabrics of artificial staple fibres, dyed, nes	1,018

Main countries supplying man-made staple fibre textiles to Iran during 2013

Country
Germany
Chinese Taipei
Republic of Korea
Turkey
Malaysia
United Arab Emirates
Belarus
Japan
India
China
Indonesia
Spain
Thailand

EXPORTS OF INDIAN MMF TEXTILES TO IRAN

Iran has emerged as one of the largest markets for Indian Man-made fibre textiles. During 2013-14 exports amounted to US$ 148.46 million, registering a tremendous growth of 96%. The main MMF textile items being exported from India to Iran are Polyester Filament Fabrics, Polyester Viscose Fabrics, Synthetic Filament Fabrics, Polyester Viscose Yarn, Polyester Filament Yarn, Viscose Spun Yarn, Furnishing Articles, Muffler, Shawls / Scarves, etc.

Details of the exports of Indian man-made fibre textiles to Iran during last five years are follows:

Value in USD Mn

Year	Fabrics	Made-up	Yarn	Fibre	Total	%Gr/ Dec
2009-2010	26.52	3.70	29.15	16.55	75.92	
2010-2011	76.73	5.69	54.90	17.27	154.59	103.62
2011-2012	180.04	3.54	48.49	17.37	249.44	61.36
2012-2013	44.38	3.01	33.81	7.86	89.06	-64.30
2013-2014	45.07	3.32	65.09	34.98	148.46	66.70

SOURCE: DGCI&S

Main items in India's export basket of Man-made fibre textiles to Iran during 2013-2014 were as follows:

Fabrics	Polyester Filament Fabrics Polyester Viscose Fabrics Synthetic Filament Fabrics Synthetic Blended Fabrics Polyester Blended Fabrics
Made-ups	Furnishing Articles Muffler Shawls / Scarves Blanket Dress Material
Yarn	Polyester Viscose Yarn Polyester Filament Yarn Viscose Spun Yarn Partialy Oriented Yarn Polyester Spun Yarn
Fibre	Polyester Staple Fibre

DUTY STRUCTURE

Fibres	:	up to 20%
Yarn	:	Up to 30%
Fabrics	:	up to 70%
Made-ups	:	Up to 95%

SRTEPC Promotional Programme

In view of growing scope for further increasing exports of Indian man-made fibre textiles to Iran, the Synthetic and Rayon Textiles Export Promotion Council is planning to organise an exclusive Indian Textiles Exhibition in Iran during November 2014. Through this SRTEPC initiative, its member-exporters will have the opportunity to explore Iranian market and build business contacts with buyers. Thus, the Council urges its member – companies to participate in a big way in these exhibitions and take maximum benefits of the events.

❖❖

Participation in exclusive Indian Textile Exhibition, Burma
15th to 16th October 2014

The Council is organizing first-ever Exhibition in Burma from 15th to 16th October 2014. The Exhibition will be held at the Park Royal Hotel, Yangon in Burma in association with the Embassy of India and with the support of Myanmar Garment Manufacturers Association, Yangon.

The participation fee for the Exhibition is ₹ **1,90,000.** Members are eligible to receive MDA Grant of ₹ **1** lakh, subject to the fulfillment of certain conditions.

Since the space available is limited, participants will be selected strictly on **"First-come-First-served" basis.** For further details members may contact Shri Srijib Roy, Joint Director, SRTEPC Tel.: 022-22048797, 22048690 Fax : 022-22048358, E-mail : tp@srtepc.org/srtepc@srtepc.org.

FREQUENTLY ASKED QUESTIONS (FAQ'S)

Question: What are Free Trade Agreements (FTAs)?

Answer: FTAs are arrangements between two or more countries or trading blocs that primarily agree to reduce or eliminate customs tariff and non tariff barriers on substantial trade between them. FTAs, normally cover trade in goods (such as agricultural or industrial products) or trade in services (such as banking, construction, trading etc.). FTAs can also cover other areas such as intellectual property rights (IPRs), investment, government procurement and competition policy, etc.

Question: What is the difference between the terms such as PTA, CECA, RTA, CEPA, Customs Union, Common Market and Economic Union? How are these related to FTAs?

Answer: Preferential Trade Agreement (PTA): In a PTA, two or more partners agree to reduce tariffs on agreed number of tariff lines. The list of products on which the partners agree to reduce duty is called positive list. India MERCOSUR PTA is such an example. However, in general PTAs do not cover substantially all trade.

Free Trade Agreement (FTA): In FTAs, tariffs on items covering substantial bilateral trade are eliminated between the partner countries; however each maintains individual tariff structure for non-members. India Sri Lanka FTA is an example. The key difference between an FTA and a PTA is that while in a PTA there is a positive list of products on which duty is to be reduced; in an FTA there is a negative list on which duty is not reduced or eliminated. Thus, compared to a PTA, FTAs are generally more ambitious in coverage of tariff lines (products) on which duty is to be reduced.

Comprehensive Economic Cooperation Agreement (CECA) and Comprehensive Economic Partnership Agreement (CEPA): These terms describe agreements which consist of an integrated package on goods, services and investment along with other areas including IPR, competition etc. The India Korea CEPA is one such example and it covers a broad range of other areas like trade facilitation and customs cooperation, investment, competition, IPR etc.

Custom Union: In a Customs union, partner countries may decide to trade at zero duty among themselves, however they maintain common tariffs against rest of the world. An example is Southern African Customs Union (SACU) amongst South Africa, Lesotho, Namibia, Botswana and Swaziland. European Union is also an outstanding example.

Common Market: Integration provided by a Common market is one step deeper than that by a Customs Union. A common market is a Customs Union with provisions to facilitate free movements of labour and capital, harmonize technical standards across members etc. European Common Market is an example. Economic Union: Economic Union is a Common Market extended through further harmonization of fiscal/monetary policies and shared executive, judicial & legislative institutions. European Union (EU) is an example.

Question: What is the relationship between Multilateralism (WTO) and FTAs?

Answer: Article 1 of GATT (General Agreement on Tariffs and Trade) which enunciates the most favoured nation (MFN) principle of WTO states that "any advantage, favour, privilege, or immunity granted by any contracting party to any product originating in or destined for any other country shall be accorded immediately and unconditionally to the like product originating in or destined for the territories of all other contracting parties." However, derogations from this MFN principle are permitted for forming FTAs under specific conditions as per the following provisions of the WTO Agreements:

- Article XXIV of GATT for goods
- Article V of GATS (General Agreement on Trade in Services) for services.

  The specific conditions under Article XXIV of the GATT permitting FTAs, are:

- FTA members shall not erect higher or more restrictive tariff or non-tariff barriers on trade with non-members than existed prior to the formation of the FTA.
- Elimination of tariffs and other trade restrictions be applied to "substantially all the trade between the constituent territories in products originating in such territories."
- Elimination of duties and other trade restrictions on trade within the FTA to be accomplished "within a reasonable length of time," meaning a period of no longer than 10 years.

Question: What is an Early Harvest Scheme/Programme (EHS) and how different is it from an FTA?

Answer: Early harvest scheme is a precursor to a free trade agreement (FTA) between two trading partners. This is to help the two trading countries to identify certain products for tariff liberalisation pending the conclusion of FTA negotiation. It is primarily a confidence building measure. A good example of an EHS is between India and Thailand signed in October 2003, wherein 83 products were identified to be reduced to zero in a phased manner. The EHS has been used as a mechanism to build greater confidence amongst trading partners to prepare them for even bigger economic engagement.

Question: How is tariff reduction under an FTA different from WTO tariff negotiation?

Answer: For the purposes of FTAs, the "base rate" is the critical element in all aspects of negotiations/phasing that are carried out. The base rate is the applied MFN duty of any year which is decided mutually. In an FTA tariff reduction is generally undertaken with reference to the base rate i.e. from the applied MFN tariffs. However, the WTO negotiations are always based on "bound duty rates" and not the MFN applied duties.

Question: How is CECA/CEPA different from FTA?

Answer: A Comprehensive Economic Cooperation Agreement (CECA) or a Comprehensive Economic Partnership Agreement (CEPA) is different from a traditional Free Trade Agreement (FTA) on two counts. Firstly, CECA/CEPA are more comprehensive and ambitious that an FTA in terms of coverage of areas and the type of commitments. While a traditional FTA focuses mainly on goods; a CECA/CEPA is more ambitious in terms of a holistic coverage of many areas like services, investment, competition, government procurement, disputes etc. Secondly, CECA/CEPA looks deeper at the regulatory aspects of trade than an FTA. It is on account of this that it encompasses mutual recognition agreements (MRAs) that covers the regulatory regimes of the partners. An MRA recognises different regulatory regimes of partners on the presumption that they achieve the same end objectives.

Question: Why are almost all the countries signing Free Trade Agreements?

Answer: Countries negotiate Free trade Agreements for a number of reasons.

- By eliminating tariffs and some non-tariff barriers FTA partners get easier market access into one another's markets and develop Trade.
- Exporters prefer FTAs to multilateral trade liberalization because they get preferential treatment over non-FTA member country competitors. For example in the case of ASEAN, ASEAN has an FTA with India but not with Canada. ASEAN's custom duty on leather shoes is 20% but under the FTA with India it reduced duties to zero. Now assuming other costs being equal, an Indian exporter, because of this duty preference, will be more competitive than a Canadian exporter of shoes. Secondly, FTAs may also protect local exporters from losing out to foreign companies that might receive preferential treatment under other FTAs.
- Possibility of increased foreign investment from outside the FTA. Consider 2 countries A and B having an FTA. Country A has high tariff and large domestic market. The firms based in country C may decide to invest in country A to cater to A's domestic market. However, once A and B sign an FTA and B offers better business environment, C may decide to locate its plant in B to supply its products to A.
- Such occurrences are not limited to tariffs alone but it is also true in the case of non-tariff measures. Especially when a Mutual Recognition Agreement (MRA) is reached between countries A and B. Some experts are of the view that slow progress in multilateral negotiations due to complexities arising from large number of countries to reach a consensus on polarising issues, may have provided the impetus for FTAs.

Question: How is India placed globally in terms of its bilateral PTAs/FTAs/ CECAs/CEPAs

Answer: India has preferential access, economic cooperation and Free Trade Agreements (FTA) with about 54 individual countries. India has signed bilateral trade deals in the form of Comprehensive Economic Partnership Agreement (CEPA)/ Comprehensive Economic Cooperation Agreement (CECA)/FTA/ Preferential Trade Agreements (PTAs) with some 18 groups/ countries. India is a late, and cautious, starter in concluding comprehensive preferential tariff agreements covering substantially all trade with some of its trading partners.

Question: What are Rules of Origin (ROO)?

Answer: Rules of origin (ROO) are the criteria needed to determine the country of origin of a product for purposes of international trade. Their importance is derived from the fact that duties and restrictions in several cases depend upon the source of imports. Rules of origin are used:

- to implement measures and instruments of commercial policy such as anti-dumping duties and safeguard measures;
- to determine whether imported products shall receive most-favoured-nation (MFN) treatment or preferential treatment;
- for the purpose of trade statistics;
- for the application of labelling and marking requirements; and
- for government procurement.

Question: What are some of the criteria used in the rules of origin?

Answer: The criteria in the rules of origin sets out specific and detailed conditions on the level of processing that an imported item from a non FTA partner country must undergo in the FTA partner country (or other eligible countries in the region) before being eligible to be called an originating product of a FTA partner country. Some of the common criteria used are

- change in tariff classification (this could be at the tariff chapter, tariff heading or tariff sub heading level)
- regional value addition
- substantial manufacturing or processing by excluding some minimal operations.

Question: Why are rules of Origin important in the FTA context?

Answer: The Rules of Origin are important in the context of making an assessment on the application of preferential tariff under an FTA. Hence, without the rules of origin, the preferential tariffs under an FTA cannot be implemented. Moreover, the non-members to the FTA are not provided with the benefit of the preferential tariffs, agreed between the FTA partners.

Question: How are Rules of Origin enforced in an FTA?

Answer: The rules of origin are enforced through a certificate of origin that is issued by authorised agencies of the trading partner. An exporter cannot avail of the customs tariff preferences under the FTA without submitting this certificate of origin from the authorised agency.

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

Karl Mayer Introduces New Machines To Jacquardtronic, Tricot Lines; Develops Reuseable Clip Strings For Lace Raschel Machines

Germany-based Karl Mayer Textilmaschinenfabrik GmbH recently added the JL 65/1 B Fashion machine to its Jacquardtronic® lace machine series. The machine is available in gauges E 18 and E 24, and features a working width of 132 inches plus a 2-inch extension for the tenter frame. According to the company, the JL 65/1 B was developed for problem-free coarse bourdon cord processing. France-based yarn manufacturer Moulinage du Plouy worked with the Karl Mayer product development team providing bourdon cords up to 2,450 decitex (dtex) made using a 100-percent non-stretch nylon fiber. A stretch bourdon cord with a maximum count of 3,250 dtex featuring 84-percent nylon and 16-percent elastane provided by Wichita, Kan.-based Invista also was tested. Karl Mayer reports all commercially available man-made fibers can be processed using the JL 65/1, but given the heavier weight of the finished fabric compared to a typical lace fabric, manufacturers are advised to produce two separate fabric webs across the machine's working width.

The HKS 2-M is the latest addition to Karl Mayer's tricot machine line. According to the company, the 180-inch-wide version can operate at maximum speeds of 3,200 meters per minute, which is approximately 20-percent faster than its predecessor. A 210-inch-wide version can reach top speeds of 3,000 meters per minute. The HKS 2-M includes the KAMCOS® computer platform, electronic speed control of the main drive, and electronic systems for controlling the fabric take-down and yarn feed. The medium stroke machine is suitable for producing non-stretch fabrics featuring low stitch number and loose yarn running in gauges of up to E 32. End-uses for such technical and semi-technical fabrics include mattress covers, velour fabrics for furniture, nets, sporting goods, shoe fabric and printing grounds. The machine also is capable of producing tulle and other open mesh, stylish fabric for the clothing sector, according to the company.

M/s. Karl Mayer will include new flexible resusable patternguide fingers and strings on all new lace raschel machines. The company reports these reuseable clip strings enable the operator to mount the patternguide fingers onto the string bars by means of clips in line with the pattern. The patternguide fingers can be reused by clipping and unclipping them any number of times. According to Karl Mayer, the new system does not require any additional guide elements, and permits any repeat width and infinitely variable repeats. Previously, customers had to use adhesive-bonded string bars. Customers currently operating Karl Mayer lace raschel machines can integrate the new clip string system by purchasing the new clip strings from Karl Mayer's Spare Parts Division. Customers may choose from special mounting packages with different features to suit their particular machines.

❖❖

(Excerpts taken from international and local textile related websites)

NOTICE

DGFT

Export benefits / incentives against exports to Iran.

Notification No. 89 (RE-2013) / 2009-2014 dated 6th August, 2014

In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 read with Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government hereby makes the following amendment in the Para 2.40A of Foreign Trade Policy, 2009-2014:

2. The word 'specific' appearing in the first line of Para 2.40A of Foreign Trade Policy, 2009-2014 is hereby deleted:
3. After deleting, Para 2.40A of Foreign Trade Policy, 2009-2014 shall read as under:

   Para 2.40A: Export proceeds against exports to Iran realized in Indian rupees are permitted to avail exports benefits / incentives under the Foreign Trade Policy, 2009-14, at par with export proceeds realized in freely convertible currency.
4. Effect of this notification: The word 'specific' has been deleted from Para 2.40A of Foreign Trade Policy, 2009-2014.

[Issued from (01/93/180/25/AM-12/PC-2(B)]

http://dgft.gov.in/Exim/2000/NOT/NOT13/not8913.htm

Amendment in Para 4.1.15 of FTP, 2009-2014.

Notification No. 90 (RE-2013) dated 21st August, 2014

In exercise of powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) read with paragraph 1.2 of the Foreign Trade Policy, 2009-2014, the Central Government hereby notifies the following amendment in the Foreign Trade Policy (FTP), 2009-2014.

2. Para 4.1.15 of FTP, as inserted vide Notification No.31 dated 1.8.2013, is amended to read as follows:

4.1.15 (a) "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.

(b) ***In addition in case in any SION, a single quantity has been indicated against number of inputs (more than one input), then quantities of such inputs to be permitted for import shall be in proportion to the quantity of these inputs actually used/consumed in production, within overall quantity against such group of inputs. Proportion of these inputs actually used/ consumed in production of export product shall be clearly indicated in shipping bills.***

(c) 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."

3. **Effect of this Notification: Quantity of input to be allowed under Advance Authorisation/DFIA shall be in proportion to the quantity of input actually used/consumed in production.**

(Pravir Kumar)
Director General of Foreign Trade
E-mail:dgft@nic.in

(Issued from F. No. 01/ 94 / 180 /165 / AM12 / PC-4)

http://dgft.gov.in/Exim/2000/NOT/NOT13/not9013.htm

NOTICE

CBEC-CUSTOMS

Board's Instruction F.No. 609/156/2013-DBK dated 25.02.2014.

Board's Instruction F. No. 609/156/2013-DBK dated 11th August, 2014

Attention of field formation is drawn to the Instruction cited above wherein the template of a monthly report, for detailed monitoring of cases, where export obligation period and time prescribed for furnishing evidence of fulfilling of export obligation are over, was prescribed for the Zones and the Chief Commissioners & Commissioners were directed to use this report for detailed monitoring and ensuring timely follow up actions. The Zones were to ensure that their report reached the office of DG (Inspection) within the prescribed time.

2. In partial modification of these instructions, Board has decided that while the Chief Commissioners shall continue to use the prescribed template on monthly basis, they shall send their monthly report to the DG (Inspection) only for the months ending March / July / November. Only these reports shall be complied by the office of DG (I) and made available to the Board.

http://www.cbec.gov.in/customs/cs-instructions/cs-instructions-14/cs-ins-eo-monitoring-revised.htm

---

Seeks to extend the validity of notification No. 119/2010-Customs dated 19.11.2010 for a further period of one year.

Notification No. 38/2014-Customs (ADD) dated 13th August, 2014

G.S.R. (E). – Whereas, the designated authority vide notification No.15/14/2014-DGAD, dated the 28th July, 2014, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 28th July, 2014, had initiated review, in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), and in pursuance of rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the said rules), in the matter of continuation of anti-dumping duty on "Polypropylene", falling under Chapter 39 of the First Schedule to the Customs Tariff Act, originating in, or exported from, Singapore imposed vide notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 119/2010-Customs, dated the 19th November, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 919 (E), dated the 19th November, 2010 and has requested for extension of anti-dumping duty for a further period of one year, in terms of sub-section (5) of section 9A of the Customs Tariff Act.

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act and in pursuance of rule 23 of the said rules, the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 119/2010-Customs, dated the 19th November, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 919 (E), dated 19th November, 2010, namely: -

In the said notification, after paragraph 2 and before the Explanation, the following paragraph shall be inserted, namely: -

"3. Notwithstanding anything contained in paragraph 2, this notification shall remain in force up to and inclusive of the 29th day of July, 2015, unless revoked earlier.".

[F.No. 354/140/2009-TRU (Pt.-I)]

(Akshay Joshi)
Under Secretary to the Government of India

Note: *The principal notification No. 119/2010-Customs, dated the 19th November, 2010, was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 919 (E), dated the 19th November, 2010 and last amended by notification No, 32/2013-Customs (ADD), dated the 2nd December, 2013, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 764 (E), dated the 3rd December, 2013.*

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2014/cs-add2014/csadd38-2014.htm

SAHAR AIRCARGO CUSTOMS

First time import of goods – Verification of documents – Reg.

Public Notice No. 10/2014 dated 31st July, 2014

Attention of the Importers / Exporters / CHA's and Trade is invited to the Public Notice No. 21/2010 dated 21.05.2010. As per Para 2 of the above said Public Notice, the importers, who are importing goods for the FIRST TIME through ACC, Sahar, Mumbai are required to submit documents mentioned in Para 2(i) to 2(v).

Instances have come to notice that certain importers who are engaged only in Service Industry and/or Manufacturing activities who do not necessarily have VAT / Sales Tax Registration certificates are facing difficulties in getting verification of their documents for the said purpose. Trade has represented that this results in delay in clearance and consequently hardship to Importers. With a view to address this problem, Para (2) (i) and 2(v) of the said Public Notice are amended as under:-

Para 2 (i) i.e. "Copy of VAT / Sales Tax Registration certificate" is amended as "Copy of VAT / Sales Tax / Central Excise / Service Tax Registration Certificate" and Para (2)(v) i.e. "Copy of the last Income Tax Return / VAT or Sales Tax Return filed" is amended as "Copy of the last Income Tax Return / VAT or Sales Tax Return / Central Excise Return / Service Tax Return filed".

If there is any difficulty in making available any of the above documents, the importer (or their authorized representative) may approach Additional Commissioner in charge of the Group seeking relaxation. Dy. / Asstt. Commissioner, Assessing Group should ensure that there is no delay in putting up such files for necessary orders.

The requirements of other documents and procedure mentioned in the said Public Notice remain unchanged.

http://www.accmumbai.gov.in/aircargo/miscellaneous/public_notices/2014/public_notice_10_2014.pdf

---

EXPORTS OF INDIAN SYNTHETIC AND RAYON TEXTILES DURING APRIL – JULY 2014-15

Exports of Indian man-made fibre textiles during April-July 2014-15 were US$ 1617.84 Million against US$ 1480.54 Million during the same period of the previous year, showing a growth of 9.27%.

Value in USD Mn

	April-July 2014-2015	April-July 2013-2014	Grw/decline (%)
Fabrics	674.38	601.21	12.17
Yarn	439.71	447.12	-1.66
Made-ups	383.57	311.27	23.22
Fibre	120.20	120.93	-0.61
Total	**1617.84**	**1480.54**	**9.27**

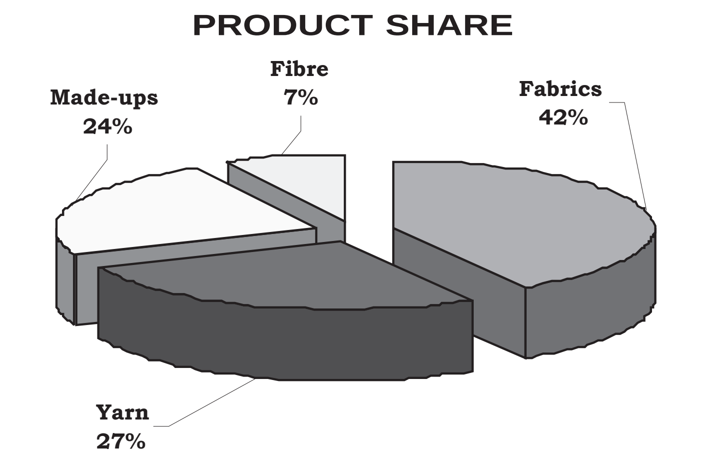
Source: Port data

HIGHLIGHTS

- Overall exports in April-July 2014-15 grew by 9% compared to the same period of the previous year.
- Fabrics and made-ups segments have witnessed encouraging growth during April-July 2014-15; Viz, Fabrics by 12.17% and Made-ups by 23.22% but export of Yarn and Fibre declined by 1.66% and 0.61% respectively.
- Exports of Fabrics dominated with 42% share followed by Yarn 27%, Made-ups 24% and Fibre 7% of the previous year.
- The value-added products like fabrics and made-ups were the main export items, accounting for 65% share of exports.
- Polyester Filament Fabrics (USD 246.24Mn) remained the main fabric in exports followed by Synthetic Filament Fabrics (USD 161.37 Mn) and Polyester Viscose Fabrics (USD 92.24 Mn)
- Exports of Viscose Spun Fabrics and Synthetic blended fabrics have witnessed excellent growth of 209% and 207% respectively during the period.
- In case of yarn, Polyester Filament Yarn was the main item with exports of USD 158.51 Mn followed by Polyester-Cotton Yarn USD 55.88 Mn.
- However, exports of Polyester Filament yarn witnessed decline of 11.27% while, Polyester-Cotton witnessed a growth of 32%.
- In Made-ups segment, exports of Shawls/Scarves, Muffler were the major items with USD 48.80 Mn and USD 39.85 Mn respectively.
- Export of Shawls/Scarves witnessed growth of 61% while Muffler witnessed decline of 26% during the period.
- Exports of blankets have recorded growth of 64% during the period.
- USA continues to be the largest market for Indian MMF textiles with 8% share in total exports followed by UAE.
- Exports to our neighbouring markets like Bangladesh and Pakistan have recorded significant growth of 124% and 4% respectively during the period.
- Neighbouring market Pakistan has emerged as the 3rd largest market for Indian MMF textiles during the period.
- Other major markets during April-July 2014-15 were Turkey, Saudi Arabia, Italy, Belgium, Sri Lanka, Brazil, Spain, Hong Kong, Netherlands, Benin, Bangladesh, etc.
- From in the Euro Zone, Italy has emerged as one of the leading markets for our exports during April-July 2014-15 with exports US$ 45.5 Mn.
- Exports to Brazil, Egypt, Vietnam and China declined 24%, 12%, 19% and 3% respectively during the period.
- The USA has remained the main leading market for Indian MMF made-ups.
- Despite imposition of Anti-dumping duties by Turkey on import of yarn from India, Turkey has emerged as the leading market for Indian MMF yarns.
- Exports of Indian MMF Yarn to Brazil showed a decline of 34% during April-July 2014-15 as compared to the same period of last year.

PRODUCT SHARE

During April-July 2014-15, exports of Fabrics dominated in total exports with 42% share, followed by Yarn 27%, Made-ups 24% and Fibre 7%.



PRODUCT-WISE EXPORT PERFORMANCE APRIL–JULY 2014

Value in USD MN

Products	April-July 2014-15	April-July 2013-14	Net Change	% Change
FABRICS (Woven + non-woven + knitted)				
Polyester Filament	246.24	222.99	23.25	10.43
Synthetic Filament	161.37	126.43	34.94	27.64
Polyester Viscose	92.24	91.94	0.30	0.33
Polyester Blended	45.81	42.61	3.20	7.51
Synthetic Non Specified	32.15	35.03	-2.88	-8.22
Synthetic Cotton	14.57	14.54	0.03	0.21
Polyester Wool	13.95	11.26	2.69	23.89
Polyester Cotton	13.28	14.06	-0.78	-5.55
Polyester Spun	12.11	16.89	-4.78	-28.30
Synthetic Blended	9.06	2.95	6.11	207.12
Viscose Spun	8.33	2.70	5.63	208.52
Nylon Filament	7.69	7.06	0.63	8.92
Acrylic Spun	5.21	1.91	3.30	172.77
Artificial Filament	3.09	2.09	1.00	47.85
Viscose Filament	2.98	2.74	0.24	8.76
Other Fabrics	6.30	6.01	0.29	4.83
Total Fabrics	**674.38**	**601.21**	**73.17**	**12.17**
YARN				
Polyester Filament	207.87	234.26	-26.39	-11.27
Polyester Cotton	55.88	42.39	13.49	31.82
Polyester Viscose	41.79	42.42	-0.63	-1.49
Polyester Spun	31.83	33.88	-2.05	-6.05
Viscose Spun	24.79	21.92	2.87	13.09
Viscose Filament	17.58	16.53	1.05	6.35
Acrylic Spun	13.52	12.45	1.07	8.59
Synthetic Spun	9.57	10.45	-0.88	-8.42
Artificial Spun	8.99	7.09	1.90	26.80
Polyester Wool	8.71	5.83	2.88	49.40
Acrylic Cotton	4.00	2.81	1.19	42.35
Nylon Filament	3.17	3.27	-0.10	-3.06
Synthetic Non Specified	2.86	2.27	0.59	25.99
Viscose Cotton	2.81	2.32	0.49	21.12
Other Yarn	6.28	9.21	-2.93	-31.81
Total Yarn	**439.65**	**447.10**	**-7.45**	**-1.67**

Products	April-July 2014-15	April-July 2013-14	Net Change	% Change
MADE-UPS				
Bulk Containers *	108.64	68.57	40.07	58.44
Shawls/Scarves	48.80	30.29	18.51	61.11
Muffler	39.85	53.52	-13.67	-25.54
Motifs	22.88	13.92	8.96	64.37
Dress Material	16.07	12.70	3.37	26.54
Blanket	14.80	9.04	5.76	63.72
Fishing Net	11.81	8.15	3.66	44.91
Bed Linen	10.47	9.89	0.58	5.86
Bedsheet	10.44	14.61	-4.17	-28.54
Rope	7.58	5.43	2.15	39.59
Dish-cloths / Dusters	3.80	8.87	-5.07	-57.16
Braids	3.79	3.56	0.23	6.46
Life Jacket	3.46	3.26	0.20	6.13
Sacks and Bags	3.04	1.48	1.56	105.41
Curtains	2.72	2.48	0.24	9.68
Furnishing Articles	2.48	3.59	-1.11	-30.92
Lace	1.63	2.06	-0.43	-20.87
Labels	1.58	1.40	0.18	12.86
Other made-ups **	69.71	58.44	11.27	19.28
Total Made-ups	**383.55**	**311.26**	**72.29**	**23.22**
FIBRE				
Polyester Staple	65.63	74.73	-9.10	-12.18
Viscose Staple	40.38	30.44	9.94	32.65
Acrylic Staple	6.93	4.85	2.08	42.89
Acrylic Filament	4.68	3.96	0.72	18.18
Synthetic Staple	2.10	4.97	-2.87	-57.75
Other Fibre	0.47	1.98	-1.51	-76.26
Total Fibre	**120.19**	**120.93**	**-0.74**	**-0.61**

* 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-July 2014-15	Apr-July 2013-14	Net Change	% Change
USA	107.79	91.14	16.65	18.27
UAE	135.57	115.42	20.15	17.46
PAKISTAN	96.03	71.98	24.05	33.41
TURKEY	60.72	55.19	5.53	10.02

Markets	Apr-July 2014-15	Apr-July 2013-14	Net Change	% Change
SAUDI ARABIA	51.43	41.65	9.78	23.48
ITALY	45.50	37.50	8.00	21.33
BELGIUM	35.51	27.82	7.69	27.64
SRI LANKA	29.63	24.63	5.00	20.30
BRAZIL	27.89	36.74	-8.85	-24.09
SPAIN	23.98	20.03	3.95	19.72
HONG KONG	22.99	20.56	2.43	11.82
NETHERLANDS	21.37	21.23	0.14	0.66
BENIN	20.57	18.27	2.30	12.59
BANGLADESH	19.18	6.65	12.53	188.42
EGYPT	18.94	21.47	-2.53	-11.78
KOREA, DEM	18.58	13.52	5.06	37.43
VIETNAM	17.05	21.16	-4.11	-19.42
CHINA	15.35	15.90	-0.55	-3.46
FRANCE	14.25	9.63	4.62	47.98
CROATIA	13.89	12.18	1.71	14.04

MAJOR MARKETS FOR MMF FABRICS

Value in USD MN

Markets	Apr-July 2014-15	Apr-July 2013-14	Net Change	% Change
USA	137.25	112.06	25.19	22.48
UAE	88.00	74.79	13.21	17.66
SAUDI ARABIA	41.31	32.97	8.34	25.30
PAKISTAN	34.53	33.36	1.17	3.51
SRI LANKA	30.20	27.29	2.91	10.66
HONG KONG	23.83	19.24	4.59	23.86
VIETNAM, DEM	18.95	23.53	-4.58	-19.46
BANGLADESH	14.55	6.50	8.05	123.85
SPAIN	13.15	13.51	-0.36	-2.66
ITALY	13.02	12.81	0.21	1.64
CHINA	10.30	13.69	-3.39	-24.76
SENEGAL	10.09	4.66	5.43	116.52
KOREA, DEM	9.80	8.95	0.85	9.50
KUWAIT	9.30	7.25	2.05	28.28
BELGIUM	9.20	7.81	1.39	17.80
SINGAPORE	9.02	15.29	-6.27	-41.01
COTE D IVOIRE	8.94	11.78	-2.84	-24.11
IRAQ	7.86	2.05	5.81	283.41
BENIN	6.68	11.68	-5.00	-42.81
U.K.	6.59	6.51	0.08	1.23

MAJOR MARKETS FOR MMF YARN

Value in USD Mn

Markets	Apr-July 2014-15	Apr-July 2013-14	Net Change	% Change
TURKEY	75.28	67.87	7.41	10.92
USA	34.95	35.52	-0.57	-1.60
BRAZIL	32.87	49.63	-16.76	-33.77
PAKISTAN	22.90	23.37	-0.47	-2.01
BELGIUM	18.26	18.42	-0.16	-0.87
COSTA RICA	12.43	22.20	-9.77	-44.01
UAE	12.14	7.62	4.52	59.32
PERU	12.05	11.13	0.92	8.27
KOREA, DEM	11.28	7.78	3.50	44.99
MOLDOVA, REP	11.08	14.00	-2.92	-20.86
GUADELOUPE	9.08	9.79	-0.71	-7.25
NETHERLANDS	8.02	10.54	-2.52	-23.91
ITALY	7.95	7.99	-0.04	-0.50
KOREA,REP	7.34	1.47	5.87	399.32
SAUDI ARABIA	7.00	7.87	-0.87	-11.05
JAPAN	5.63	2.83	2.80	98.94
SRI LANKA	5.60	6.67	-1.07	-16.04
PANAMA	5.36	4.53	0.83	18.32
CHINA	5.17	3.32	1.85	55.72
CANADA	5.16	5.88	-0.72	-12.24

MAJOR MARKETS FOR MMF MADE-UPS

Value in USD Mn

Markets	Apr-July 2014-15	Apr-July 2013-14	Net Change	% Change
USA	58.57	49.43	9.14	18.49
SAUDI ARABIA	37.90	36.83	1.07	2.91
ITALY	28.20	22.86	5.34	23.36
BENIN	22.42	15.74	6.68	42.44
UAE	20.83	15.11	5.72	37.86
SPAIN	17.46	12.86	4.60	35.77
CROATIA	16.14	12.86	3.28	25.51
NETHERLANDS	11.71	9.35	2.36	25.24
BELGIUM	10.52	6.37	4.15	65.15
FRANCE	9.39	7.74	1.65	21.32
AUSTRALIA	7.40	4.56	2.84	62.28
GERMANY	6.85	6.07	0.78	12.85
UK	6.58	4.33	2.25	51.96
CANADA	5.74	3.57	2.17	60.78
BANGLADESH	5.31	2.64	2.67	101.14
HONG KONG	5.14	7.56	-2.42	-32.01
VIETNAM, DEM	3.41	1.03	2.38	231.07
IRAQ	3.27	1.25	2.02	161.60
TURKEY	3.15	2.72	0.43	15.81
NEW ZEALAND	3.10	1.90	1.20	63.16

TEXTILE COMMISSIONER VISITS THE COUNCIL

Ms. Kiran Soni Gupta, IAS, Textile Commissioner visited the Council and attended the Meeting of the Committee of Administration of the Council on 5th August 2014.

Chairman, SRTEPC Shri Rakesh Mehra welcomes Ms. Kiran Soni Gupta, Textile Commissioner with a bouquet of flowers.

The Meeting in progress

Shri Rakesh Mehra, Chairman of the Council welcomed Ms. Kiran Soni Gupta to the Council and introduced her to the members of the Committee of Administration present at the Meeting. The Chairman expressed his gratefulness to Smt. Kiran Soni Gupta, Textile Commissioner for taking time off from her busy schedule to be present at the Meeting. He said that the Textile Commissioner has always been like a guardian to the Councils who voices their grievances to the Govt. authorities in Delhi.

Shri Rakesh Mehra, Chairman, SRTEPC addressing the Meeting

Ms. Kiran Soni Gupta, Textile Commissioner said that she and her office would extend all possible support and assistance to the Council for taking up the issues confronting the MMF textle exports at the appropriate forums for furthering the export of MMF textiles.

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.