

# INFO SRTEPC

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The Synthetic & Rayon Textiles  
Export Promotion Council

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## VISIT OF DUTY DRAWBACK COMMITTEE TO FACTORIES OF SRTEPC MEMBER-COMPANIES TO REVIEW MANUFACTURING PROCESSES TO RECOMMEND REVISION IN DRAWBACK RATES



*Official of Birla Cellulose briefing the members of the Drawback Committee and Chairman, Vice Chairman, Executive Director and officials of SRTEPC at their plant*

The Duty Drawback Committee visited the manufacturing facilities of key units of member-companies of the Council in Kharach, Surat and Silvassa on 13<sup>th</sup> November 2019. The Committee, headed by Shri G.K. Pillai, Chairman, with Shri Y. G. Parande and Shri Gautam Ray as Members, were invited to the manufacturing facilities by the Council to observe and understand the



*The Drawback Committee touring the plant of Birla Cellulose*

manufacturing process of Manmade fibre (MMF) Textile items including the viscose staple fibres produced in the Birla Cellulose plant at Kharach in order to recommend a revision in duty drawback rates for various types of items being produced and exported from the MMF textile segment in the country.

The Chairman of the Council, Shri Ronak Rughani, Vice Chairman, Shri Dhiraj Raichand Shah and Immediate Past Chairman Shri Sri Narain Aggarwal, along with the Executive Director, Shri S. Balaraju and Council officials gave a warm welcome to the Drawback Committee.

The visit gave the members of the Drawback Committee an insight of Viscose Staple Fibre (VSF), made from plants and its conversion from wood pulp to Fibre upto the Garmenting stage. The Committee has also tried to understand the entire manufacturing process of VSF, its chemical components, by-products, import of feedstock/ raw materials, etc. Shri Ajay Sardana, Joint President (Marketing & Business Development) of Grasim Industries Ltd. along with other prominent Business



*The members of the Drawback Committee interacting with the SRTEPC officials during the Presentation made by the Shri Ronak Rughani, Chairman, SRTEPC*



*Officials of the Council from l to r Shri S. Balaraju, Executive Director, SRTEPC; Shri Ronak Rughani, Chairman, SRTEPC; Shri Ajay Sardana, Joint President (Marketing & Business Development), Aditya Birla Group (Birla Cellulose); Shri Dhiraj Shah, Vice Chairman, SRTEPC and Shri Sri Narain Aggarwal, Immediate past Chairman at the Birla Cellulose plant*

Heads from the Company welcomed the Duty Drawback Committee and explained to them about various processes involved in manufacturing of Viscose Staple Fibre.

The Drawback Committee was made aware of the increase in duties and taxes levied on various types of raw materials, thereby making the end products costly, resulting in these products becoming uncompetitive in the International markets. It was, therefore deemed necessary by the Duty Drawback Committee to re-examine the duty structure and tax forming component of the final cost of the products so that appropriate drawback can be worked out for refund purpose thereby making Indian products much more competitive in the global markets.

The Chairman of the Council, Shri Rughani made a presentation before the Committee by putting forth the duties and taxes levied on raw material import, export - import data of the various Manmade fibre textile products as well as key issues faced by the Industry. The Chairman of the Council emphasized the need for enhancement in the Duty Drawback Rates for all synthetic textile items. It was pointed by the Chairman that Post GST, exports of



*Shri Ronak Rughani, Chairman writing his comments on the Birla Cellulose plant*



*The members of the Drawback Committee and officials of SRTEPC outside the Birla Cellulose plant*

MMF textiles have been adversely impacted. The Chairman also informed that exports of Indian MMF textiles have witnessed decline in some segments. In his presentation the Chairman put up the industry requirements in order to grow the exports and stabilize the stressed Indian Man-made Fibre Textile Sector.

The Duty Drawback Scheme allows exporters to get a refund / recoupment on customs duty paid on imported goods used in the manufacture of goods for exports. As is customary, the drawback rates are worked out and notified every year after taking into account the budgetary changes in the duty structure and the consumption of input materials and the duties suffered on these input materials.

Later, during the day the Council arranged for the Drawback Committee to visit Fairdeal Filaments Textile Park in Surat to get a feel of the fabrics manufacturing including Non Woven Industries viz., Auto tech. The fabrics segment provides maximum number of employment and most of them belong primarily to economically and socially weaker sections of the society. Hence these product categories are considered important not only from the export point of view but also from the point of view of employment generation to a very important section of the society. In terms of potential, this product caters to the fast growing and much in demand 'Technical Textiles' category. Non Wovens have a very important role to play in the coming years since it is majorly



*Members of the Drawback Committee in discussion with the Chairman and Vice Chairman at Autotech Nonwovens*

*Continued on page 20*





## MESSAGE FROM THE CHAIRMAN



I am pleased to inform that the Council hosted a visit of the Drawback Committee to the factories of our member-companies in Kharach, Surat and Silvassa. The Drawback Committee headed by Shri G. K. Pillai, Chairman and the members Shri Y. G. Parande and Shri Gautam Ray, visited the plant and saw the manufacturing process of man-made fibre textile items of one of our leading member-companies, Grasim Industries Ltd. at their Birla Cellulose viscose staple fibres plant in Kharach, Gujarat. The SRTEPC team of myself, Vice Chairman, immediate past Chairman, Executive Director and officials also got an opportunity to have an insight about the manufacturing process of Viscose Staple Fibre and its conversion from wood pulp to fibre up to the garmenting stage. The whole experience was educating and knowledge enhancing. The visit also provided us an opportunity to place before the Drawback Committee facts about how the end products turn out costly due to the various taxes and levies which are imposed on the raw materials and thus make them uncompetitive in the international markets. The Drawback Committee also visited the Fairdeal Filaments Textile Park in Surat to understand the making of fabrics including non-wovens used for Auto Tech. As you are aware, the coming years will see the non-wovens playing a vital role in the MMF sector as it is widely used in the automobile industry. The Drawback Committee also visited powerloom units of two of our member companies at Surat and the nylon filament yarn plant of AYM Syntex Ltd. at Silvassa. I would like to take this opportunity to once again thank the Drawback Committee for taking time and visiting these plants. I would also like to thank the management of M/s. Grasim Industries Ltd., M/s. Autotech Nonwovens, M/s. Creative Fabrics; M/s. Shradha Textiles and M/s. AYM Syntex Ltd. as well as the officials of these plants for providing us this insightful experience.

I would also like to mention here that the Council has submitted the calculations for proposed rates along with supporting documents to the Drawback Committee and I am hopeful that they will consider our products favourably for the Drawback rates.

The export situation of the country is not too bright and textiles are also one of the sectors which is facing the brunt of it. Exports of MMF textiles has also been at the receiving end with the latest data of the Ministry showing fall in exports for the period April-September 2019-20 as compared to the same period last year. As for the product category except for fabrics all the others are in the red. USA continues to be the top most market for our products. Friends, we all have to continue with our efforts and with the help of the Ministry in form of concessions/benefits we shall be able to tide over the situation.

I am glad to inform that the Council is organizing participation of its member-companies in IM Intermoda, Guadalajara, Mexico; Colombiatex, Medellin, Colombia; Texstyle Expo, Algiers, Algeria and Istanbul Yarn Fair, Turkey, these are all important markets for MMF textiles and I am sure that members will take advantage and participate in large numbers.

I would also like to inform that the Council will be holding its Annual Export Award Function in the month of January-February 2020 for which Circular will be soon sent to members calling for applications for Grant of Export Awards for the year 2019-20. I request the member-exporters to send in their applications at the earliest. I also hope to see more companies sending their applications as this is an occasion to laud the excellent performances of member-companies especially in such difficult times.

As you may be aware, the Government is proposing to introduce a new Scheme called Scheme for Remission of Duties and Taxes on Exported products (RoDTEP) to refund taxes or duties/ levies, which are not exempted or rebated at present by any other mechanism. The Council has sent a communication to our members seeking data for the proposed Scheme. Members are requested to fill in the data appropriately so as to enable the Council to prepare a consolidated data to represent to the Government for a refund of these taxes or duties/ levies. I therefore, request our members to please co-operate and send your data to the Council within the stipulated period for achieving a good rate for MMF Textile products under RoDTEP.

Yours sincerely,

RONAK RUGHANI  
CHAIRMAN



## HIGH LEVEL TEXTILE DELEGATION LED BY SRTEPC CHAIRMAN VISITS UZBEKISTAN



*The delegates of the Delegation Shri Ronak Rughani, Chairman, SRTEPC; Shri Sanjeev Saran & Shri Anil Rajvanshi, former Chairmen, SRTEPC and Shri Sri Narain Aggarwal, Immediate past Chairman with the officials of Uztextilprom*

A High-Level Textile Delegation led by Shri Ronak Rughani Chairman (SRTEPC) along with the following members represented our council and the Man-Made Fiber Textile Industry during their visit to Uzbekistan from 19<sup>th</sup> to 22<sup>nd</sup> October 2019.

Shri Anil Rajbanshi, former Chairman and Convener.  
Shri Sri Narain Aggarwal immediate past Chairman  
Shri Sanjeev Saran, former Chairman

### Objective

The objective of the Delegation was to explore the possibilities of expanding the Indian MMF Textile exports to Uzbekistan, mutual co-operation between the countries in MMF textiles and meet the leading importers of Man-Made textiles. The visit is expected to help facilitate trade between the two countries.

The trade delegation visited “Uztextilprom” (Uzbekistan Textile Industry) Association office and had a good meeting with their Vice Chairman, Mr. Bakhtiyor Mukhammadsaidov. They discussed about the scope and possibilities of business between India and Uzbekistan. Mr. Bakhtiyor also thanked the visiting trade delegation for the hospitality and warmth extended to the 14 member delegates from Uzbekistan who visited the Source India 2019 event in Mumbai.

### Meetings:

During the visit, the members of the Delegation had Interaction/Meetings with the following manufacturers / importers:

- 1) Apitex – this company is into weaving and manufacturing of filter clothes & fabrics for upholstery, they showed keen interest in sourcing of MMF from India.

The Delegation also visited Samarkand in Uzbekistan, since it's one of the most important textile manufacturing hubs in Uzbekistan.

- 2) The Delegation had a meeting with Mr. Shukhrat Director of “LLC Samarkand Euroasia Textile” they are one of the largest and biggest group. They are already buying from India & showed good interest in developing further business with Indian MMFT manufacturers.
- 3) Visited “Sam Rafat Textile” factory this company is into manufacturing of Towels & Bathroom linen etc.
- 4) “Ideal” the delegation visited their factory and had a meeting with its Chairman, Mr. Bakhtiyor Umarov, He received the delegation very warmly. They are the biggest manufacturers of Shirts & Suits in Uzbekistan. Mr. Sanjeev Saran has assured he will introduce their products to Scandinavian & European markets using his current setup & will be sending him “Techpack” of his standard size for sampling so he can submit the samples to his overseas counterpart for confirming the orders.



The members of the Delegation in discussion with the Vice Chairman, of Uztextilprom, Mr. Bakhtiyor Mukhammadsaidov & other



Meeting with Chairman, Mr. Bakhtiyor Umarov of Ideal in progress

*Continued on page 16*



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### **Important Meetings with Government of India during October/November 2019**

Vice Chairman and Regional Director, New Delhi attended meeting regarding Textile Policy-Infrastructure held under the chairmanship of Shri Jogiranjana Panigrahi, Joint Secretary, MOT on 18.11.2019. Smt. Sherry Lal Thangzo, Economic Advisor, MOT was also present, apart from representatives from the textile industry and EPCs etc. Shri Panigrahi informed that the Textile Policy is in the process of being prepared. The Textile Policy-Infrastructure should cover the global best practices, the weaknesses and how to overcome those weaknesses. While participating in the discussion, the Vice Chairman suggested that the development of infrastructure is key to exports and needs to be upgraded. He also suggested for focus on setting up of Mega Textile Parks and Mega Powerloom Clusters so as to address infrastructure bottlenecks. The Vice Chairman and Regional Director, New Delhi attended another meeting regarding Textile Policy- Powerloom & Knitting sectors held under the chairmanship of Shri Jogiranjana Panigrahi, Joint Secretary, MOT on the same day. The Vice Chairman suggested that the import duty on shuttleless looms be brought down to 5% from existing 18%; the amount of corpus in Yarn Bank be enhanced from 2 crore to Rs.5 crore; continuation of Schemes like Group Workshed Scheme, Yarn Bank and Pradhan Mantri Credit Scheme for powerloom weavers; special focus for knitwear sector, etc.

Executive Director and Regional Director, New Delhi attended a Meeting chaired by Smt. Aditi Das Rout, Trade Advisor, Ministry of Textiles on 20.11.19 in New Delhi to discuss matters regarding New Textile Policy relating to Exports. Main points suggested by the Council were fibre neutral policy, economies of scale, rationalisation of GST, strengthening of ERMIU, etc.

Executive Director and Regional Director, New Delhi attended meeting regarding Textile Policy for MMF held under the chairmanship of Shri Sanjay Sharan, Joint Secretary, MOT on 15.11.2019. Smt. Aditi Das Rout, Trade Advisor, Ministry of Textiles was also present, apart from representatives of EPCs and industry. Shri Sharan informed that the Ministry was in the process of finalising the Textile Policy and therefore, had called for the meeting with stakeholders for consultation on the MMF segment. The challenges being faced by the industry and the ways to address those challenges may be spelt out. The Executive Director, SRTEPC also presented the suggestions on the MMF textile industry for the Textile Policy such as fibre neutrality, rationalisation of GST, make available real time data of exports, etc.. Shri Sharan requested to furnish inputs/suggestions in writing.

Executive Director and Regional Director, New Delhi attended the “Interactive Session with Stakeholders to Enhance Global Competitiveness of Indian Industry” held by the Hon'ble Union Minister of Commerce & Industry, Shri Piyush Goyal on 28.10.2019 in New Delhi. At the outset the Economic Advisor, Ministry of Commerce & Industry made a presentation on “ Issue of Internal Taxes Impacting Export Competitiveness”. He said that a large number of Internal Taxes, other than GST, are levied on finished products or on inputs used in the manufacture of the finished products, tax credit of which are not available, for example - electricity duty, duties on petroleum products, clean energy cess. mandi tax, and biodiversity fee etc. With regard to textile sector, the Hon'ble Union Minister of Commerce & Industry said that this sector is suffering because of taxes. He said that in so far as RCEP is concerned, Government will not do anything that compromise national and industry interests. With regard to Inverted Duty Structure, he asked all concerned to give the issue in writing. The Hon'ble Minister also said that green field investments should be encouraged. Govt. land near railway stations should be used for industrial purposes. Executive Director put forth points such as rationalisation of taxes at States' level, need to attract investment to increase competitiveness, Inverted Duty Structure, Refund of Embedded Taxes, etc.

Regional Director, New Delhi attended meeting regarding organizing of Annual Mega Shopping Festival under the Chairmanship Shri Rajesh Agrawal, Executive Director, ITPO on 25.10.2019. This meeting was held in pursuance of Commerce Secretary's proposal to hold Annual Mega Shopping Festival in India which he had mentioned in the meeting held on 21.10.2019. The festival may cover Gem & Jewelry, Textiles, Leather, Services, Yoga and Tourism. Regional Director, New Delhi attended meeting regarding organizing of Annual Mega Shopping Festival held under the Chairmanship of Shri Rajesh Agrawal, Executive Director, ITPO on 11.11.2019. Shri Agrawal informed that Commerce Secretary (CS) took a review meeting in this regard and that it has been decided in that meeting to organize the Festival initially in one city as a pilot project. He said that in view of this decision, the festival may be organized in New Delhi during the second half of March, 2020.

Regional Director, New Delhi attended meeting regarding 2<sup>nd</sup> Expansion of India-Chile PTA held under the Chairmanship of Shri Shyamal Mishra, Joint Secretary, Deptt. Of Commerce on 13.11.2019. Shri Mishra informed that a discussion is being held with Chile next month for the 2<sup>nd</sup> Expansion of India-Chile PTA and India's Wish List is being finalized for discussion. As per the consolidated Wish List prepared by the DOC, there are 36 existing tariff lines and 37 proposed additional tariff lines in respect of SRTEPC. It was also informed that an email has been sent to the EPCs on 05.11.2019 seeking comments on Rules of Origin relating to Chile which may be furnished at the earliest.

**REPRESENTATIONS AND INPUTS SUBMITTED TO THE GOVERNMENT ON NATIONAL AND INTERNATIONAL ISSUES DURING OCTOBER/NOVEMBER 2019:****1. Representation to Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry and Railways, for kind intervention to resolve Anti-dumping duties imposed by Peru on "Fabrics made out of Polyester Staple Fibre and Viscose Staple Fibre" of Indian Origin**

A representation was submitted to Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry and Railways, requesting the intervention to resolve Anti-dumping duties imposed by Peru on the imports of Fabrics made out of Polyester Staple Fibre and Viscose Staple Fibre cover under HS Code 55151100 of Indian origin vide Resolution dated March 25, 2011. The Council has requested to the Government for issuing favourable orders in this matter, so that the anti-dumping duties imposed by Peru on "Fabrics made out of Poly-Viscose Staple Fibre" may be withdrawn at the earliest.

**INPUTS ON BILATERAL TRADE SENT TO MINISTRIES, GOVERNMENT OF INDIA****India-Kenya Joint Trade Committee (JTC) Meeting**

The inputs of the Council, such as a brief analysis of Bilateral MMF textiles trade between Kenya during 2018-19, market, potential for MMF textiles in Kenya and inputs on the issues for greater textile cooperation between India and Kenya were sent to the Ministry of Commerce and Industry.

**Boosting Exports to ASEAN Countries**

Inputs of the Council pertaining to Man-made fibre textiles, which fall under its purview such as the exports and imports of Textiles and clothing (T&C) products, Indian Manmade fibre (MMF) and MMF Blended textiles to Association of South-East Asian Nations (ASEAN) during the past five years were sent to the Ministry. A note on the issues for greater textile cooperation between India and ASEAN region was also sent to the Ministry of Textiles.

**District-wise Export Data from all EPCs**

The Inputs of the Council regarding all India MMF based textiles exports at 8-digit levels during 2018-19 and April-June 2019-20 were prepared and sent to the Ministry of Commerce and Industry.

**Minutes of Meeting of Stakeholders in Mumbai on October 1, 2019**

The Inputs of the Council with regards to the minutes of the meeting of Stakeholders in Mumbai were sent to Texprocil (The Cotton Textile Export Promotion Council) to be incorporated in the Terms of Reference for the proposed study.

**Meeting Notice and inputs requested**

As desired, the inputs of the Council regarding holding of meeting with all EPCs under the Chairmanship of the Commerce Secretary were sent to the Ministry. A detailed note containing the explanation on the plausible reasons for the decline in Exports of Manmade fibre (MMF) textiles was also submitted to the Ministry.

**Finalization of dates for visit of Govt.-cum-Industry delegation to USA and China**

The inputs of the Council were sent to the Ministry.

**India-WANA Regional Conclave – Non-Tariff Barriers pertaining to WANA countries**

As desired, the inputs of the Council regarding country wise Non-Tariff Barriers, pertaining to WANA Region were sent to the Ministry.

**19<sup>th</sup> Session of the India-Finland Joint Commission ATR on previous protocol and Draft Agenda for ensuing session – reg**

The comments of the Council regarding India-Finland Joint Commission – ATR on previous protocol and draft Agenda for ensuing session were sent to the Ministry. The Council has also sent the details of Bilateral trade between India and Finland in MMF textiles during the past five calendar years.

**Inputs on Implementation of MoU between India and Russia**

The inputs of the Council, such as a brief analysis of the bilateral MMF textile trade between India and Russia and the potential for MMF textiles in Russia, along with a note on the issues for greater textile cooperation between India, Russia etc. were sent to the Ministry of Commerce and Industry.

**Non-Tariff Barriers imposed by various countries on India's MMF Textile exports**

A circular on Non-Tariff Barriers imposed by various countries on India's MMF textile exports was prepared and circulated among the members of the Council to seek their feedback on the Non-tariff Barriers imposed by the Sub-Saharan Africa and Latin American and Caribbean Region pertaining to India's exports of MMF textiles.

**Reasons for decline in textile sector as per Index of Industrial Production (IIP)**

The Council has sent the details note on reasons for decline in exports of Man-made fibre textiles, which fall under its purview. The Council has requested the Government to take due precautions to protect the Man-made fibre Textiles viz important initiatives and policy measures for encouraging production and promotion of export, Higher MEIS rates for all the MMF textile products, strengthening of TUFs for Manmade fibre and Filament yarns, which are vital to growth of the manmade fibre textile segment in the country.

## China

### Exports down during first half of 2019

Punitive tariffs slapped by the U.S. on Chinese imports are adversely affecting Chinese exporters, with shipments down by 25 percent, or US\$35 billion, in the first half of 2019.

The study, which examined the impact of the US\$250 billion in punitive tariffs that took effect last year, also concludes China's export losses resulted in trade diversion effects in the first half estimated to be valued at US\$21.3 billion, including US\$866 million for textiles and apparel.

Overall, China's export loss in textiles and apparel shipments to the U.S. during the first half was estimated at US\$1.19 billion.

The biggest beneficiaries during the first six months in textiles and apparel were Bangladesh, with an estimated gain of up to US\$300 million; the European Union, with US\$66 million; the Republic of Korea, with US\$48 million; Mexico, US\$47 million; India, US\$41 million; Pakistan, US\$25 million, and Turkey, US\$14 million.

Chinese exporters may have started to bear part of the costs of the tariffs in the form of lower export prices at around 8 percent below comparable products.

It is also learnt that Chinese textile and apparel exports were down by an average of 24 percent, while those not targeted maintained their market share and posted an overall increase of 4 percent in the first half.

Exports of articles of apparel and clothing accessories or leather or composite leather - which faced a 10 percent punitive tariff in September 2018 - declined by 20 percent to \$112 million during January to June, down compared to \$145 million registered in the first half of 2018.

Similarly, Chinese exports of knitted and crocheted fabric, valued at US\$105 million in first half of 2018, dropped 32 percent in the first six months of 2019 to only US\$71 million.

By comparison, the largest apparel export of China to the U.S. that was not subject to additional tariffs - jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted - was valued at US\$1.4 billion for the first half of 2019.

Source : [wwd.com/](http://wwd.com/)

## Peru

### Exports to US on the rise

Peru's economy has strengthened at a rapid pace over the last few years, with exports leading the way. It is learnt that an increasingly stronger trade relationship with the United States is driving that growth. The value of Peru's exports to the US rose by 8.9 per cent from 2009 to 2018.

One of the most important growth sectors are textiles. Textiles exports grew by 1.3 per cent during the same period.

Currently, 89 per cent of Peru's merchandise exports is destined for countries with which it has trade agreements.

Source : [Fibre2fashion](http://Fibre2fashion)

## Italy

### Falling orders for Italian textile machinery

The orders index for textile machinery compiled by ACIMIT, the Association of Italian Textile Machinery Manufacturers, from July to September 2019 was down by 10%, compared to the same period in 2018. The value of the index came in at 97.4 points (basis: 2015=100).

New orders for Italian machinery manufacturers were negative both in foreign markets and in Italy. Abroad, an 8% decrease was recorded, with an absolute index value of 98.9 points. The drop in domestic orders was even more pronounced, at 22%, compared to the third quarter 2018. The absolute value of the index was 94.9 points. "The orders index for the textile sector provides a true picture of the global market's downsizing. Current geopolitical tensions are undermining the climate of trust for businesses that need to invest," commented Alessandro Zucchi, President of ACIMIT. "In Italy, uncertainties linked to future processes relating to the Industry 4.0 plan have effectively slowed demand for machinery. I hope that the current government will continue on the path set out by the previous administrations." "We don't expect any changes of course for the current trend this year," concluded Zucchi, adding that "exports data, updated to the first six months of the year, confirm an overall negative progression compared to the same period for 2018, with the exception of the Chinese market, which is experiencing growth. However, we expect a boost in investments in 2020."

ACIMIT represents an industrial sector that comprises around 300 manufacturers employing around 12,000 people, which produce machinery for an overall worth of around EUR 2.5 billion, of which 84% are exported.

SOURCE: Innovation in Textiles



### **DIN System of CBIC started**

The Documentation Identification Number (DIN) system of Central Board of Indirect Taxes and Customs (CBIC) has come into existence from 8<sup>th</sup> November, 2019. This pathbreaking DIN system in indirect tax administration has been created as per the direction of Union Minister for Finance and Corporate Affairs, Ms Nirmala Sitharaman, and from now onwards any CBIC communication will have to have a Documentation Identification Number. Government has already executed the DIN system in the direct tax administration. This step is to further the government's objectives of bringing transparency and accountability in the indirect tax administration also through widespread use of information technology, said a release.

Source : [www.eximin.net](http://www.eximin.net)

### **Government clarifies new rules related to Input Tax Credit under GST**

In a big relief for GST taxpayers, the Union government recently clarified the new rules related to availing input tax credit under the GST. It said that a certain category of Input Tax Credit claims such as ITC in respect of the IGST paid on imports and GST paid under the reverse charge mechanism have been kept out of the scope of the new rules introduced last month. The new rules implemented by the CBIC limited input tax credit claims to 20% of the eligible amount where invoice matching has been done. However, the notification issued by the CBIC on October 9 caused a lot of confusion over the method of calculating this 20% amount, the cut-off date and also whether it was to be calculated supplier-wise or on a consolidated basis. These concerns prompted the CBIC's GST policy wing to issue a new circular today clarifying all these aspects.

The circular issued by the Central Board of Indirect Taxes (CBIC) also clarified that this 20% cap on the eligible Input Tax Credit will not be calculated supplier-wise and GST payers can avail the input tax credit on a consolidated basis.

The Government had received complaints that some businesses were availing input tax credit by using fake GST invoices. In order to check the problem of misuse of input tax credit system, the CBEC, the nodal body to implement indirect taxes in the country, had last month made it compulsory to match the invoices uploaded by the suppliers in their GSTR1 forms before buyers can avail Input Tax Credit in their GSTR-3 returns. However, it also allowed the buyers to claim 20% more input tax credit over and above the eligible amount where invoice matching was done but the lack of clarity over the method of calculation created confusion among GST payers.

The CBIC's latest circular is intended at clarifying all these aspects. For example, if a buyer is entitled to avail input tax credit of Rs 10 lakh on inward supplies (purchases) in a month but if his suppliers have only uploaded the correct invoices in respect of supplies of Rs 6 lakh only in the GSTR1 forms uploaded by them,

then the buyer can avail ITC of Rs 6 lakh plus 20% of the eligible amount that is Rs 1.2 lakh. Therefore the buyer could claim a total ITC of Rs 7.2 lakh in the month.

It also clarified that the total amount of ITC, even after the addition of 20% input tax credit over and above the eligible amount where invoice matching has been done, cannot exceed the total amount of input tax credit that can be claimed.

For example, if a buyer is entitled to ITC of Rs 10 lakh on inward supplies and invoice matching is done in case of Rs 9 lakh then as per the 20% cap rule, he is also entitled to avail 20% over and above the eligible amount of Rs 9 lakh, which is 1.8 lakh in this case. However, this can take the total amount of ITC to be availed by him in the month to Rs 10.8 lakh, Rs 80,000 more than the total ITC amount that can be claimed. The new circular has clarified that in any case ITC claims will be restricted to the total amount due.

For example, if a buyer is entitled to ITC of Rs 10 lakh on inward supplies and invoice matching is done in case of Rs 9 lakh then as per the 20% cap rule, he is also entitled to avail 20% over and above the eligible amount of Rs 9 lakh, which is 1.8 lakh in this case. However, this can take the total amount of ITC to be availed by him in the month to Rs 10.8 lakh, Rs 80,000 more than the total ITC amount that can be claimed. The new circular has clarified that in any case ITC claims will be restricted to the total amount due.

The latest GST circular also clarified three distinct cases where the newly introduced rule to cap ITC to 20% over and above the eligible amount will not be applicable.

Source : The Financial Express

### **Dates for filing GST returns for FY 2018 extended to 31<sup>st</sup> December 2019**

The Finance Ministry recently extended the due date for filing GST returns for the financial year 2017-18 (FY18) and financial year 2018-19 (FY19).

It is learnt that the due dates for filing Form GSTR-9 (Annual Return) and Form GSTR-9C (Reconciliation Statement) for the financial year 2017-18 will be December 31, 2019, as against November 30, 2019. Similarly, for FY 19, it will be March 31, 2020, as against December 31, 2019. The Government has also decided to simplify these forms by making various fields in them optional.

Every GST assessee has to file an annual return in GSTR 9. Among these assessees, every registered taxable person whose turnover during a financial year exceeds 2 crore, will also be required to get his accounts audited by a chartered accountant or a cost accountant and then submit a reconciliation statement in GSTR 9C along with GSTR 9. Assesseees under the composition scheme (businesses with turnover up to 1.5 crore) will be required to file the GSTR 9A form. The last date for filing these returns for the financial year 2017-18 were extended to November 30 from August 31.

The Central Board of Indirect Taxes & Customs (CBIC) has notified the amendments regarding the simplification of GSTR-9 (Annual Return) and GSTR-9C (Reconciliation Statement), which inter-alia allows taxpayers not to provide a split of input tax credit availed on inputs, input services and capital goods and not to provide HSN level information of outputs or inputs, etc, for FY18 and Fy19.

CBIC expects that with these changes and the extension of deadlines, all GST taxpayers would be able to file their annual returns along with their reconciliation statements for the financial years FY18 and FY19 in time. The Government has acted in a very responsive manner to the representations on challenges faced by taxpayers in filing GSTR-9 and GSTR-9C.

Source : Business Line

### **Exports stagger in the first seven months of the current fiscal year**

India's merchandise exports shrank in the first seven months of the current fiscal year. India's exports contracted by 2.2 per cent in the seven months to October 2019. Among the top destinations in H1 FY20, exports contracted for UAE, UK, Hong Kong, Germany, Bangladesh, and Nepal.

Exports in October 2019 were US\$ 26.38 billion, as compared to US\$26.67 billion in October 2018, showing a contraction of 1.1 per cent, while imports in October 2019 were US\$37.39 billion, which was 16.31 per cent lower over imports of US\$ 44.68 billion.

Low demand and investment in the country have kept the imports low since June 2019.

The flagship Scheme 'Make in India' of the Hon'ble Prime Minister Shri Narendra Modi-led government was introduced to boost manufacturing, employment and exports, however, all three are staggering from the current perspective. The recent industrial production fell to an 8-year low, unemployment rose to an over 45-year high, the exports have also started to take a toll. Along with the low exports, India's dependence on imports is another reason why the trade deficit reaches to a discomfiting level. Crude oil, being the largest item in the import basket, makes India's trade account vulnerable to movements in international prices.

Source : The Financial Express

### **India, Russia and China looking at alternatives to US-dominated SWIFT**

India, Russia and China are exploring an alternative to the US-dominated SWIFT (Society for Worldwide Interbank Financial Telecommunication) payment mechanism in a bid to smoothen trade with countries facing American sanctions

Russia's financial messaging system SPFS will be linked with the Chinese cross-border interbank payment system CIPS. While India still does not have a domestic financial messaging system, it plans to link the Central Bank of Russia's platform with a service that is under development.

The new system is expected to work as a "gateway" model when messages on payments are transcoded in accordance with a certain financial system. India stopped importing oil from Iran after waiver for such imports was not extended by the US in May this year. This proposed alternative to the SWIFT financial payment mechanism could be on the agenda of BRICS Summit in Brasilia.

BRICS nations are separately exploring trade among themselves in national currencies..

It has been reported in July that to bypass the threat of US sanctions, India had earlier decided to pay in euros for defence equipment purchased from Russia. India and Russia have also been trading through rupee-rouble mechanism in the backdrop of US sanctions against Russia.

Russia began development of SPFS in 2014 amid Washington's threat to disconnect the country from SWIFT. The first transaction on the SPFS network involving a non-bank enterprise was done in December 2017.

The EAEU (Eurasian Economic Union) countries are currently working with the Bank of Russia on technical options for connecting to the SPFS. Iran, which has officially joined the Russia-led free-trade zone (EAEU) this month, also seeks to develop a joint alternative to SWIFT. Last year, SWIFT cut off Iranian banks from its messaging system.

Source : The Economic Times

### **Tax refunds on exports eased**

In a major relief for the export sector, the customs authority has directed tax officials not to insist on proof of realisation of exports proceeds for processing of input tax refunds.

Delay in issuance of refunds has been a sore point for exporters since the switchover to goods and services tax (GST) regime in July 2017. The new directive from the Central Board of Indirect Taxes and Customs (CBIC) follows assurance from the Hon'ble Union Minister of Finance Ms. Nirmala Sitharaman to the industry on easing of compliances.

The circular makes it clear that tax authorities will not insist on proof of realisation of export proceeds for processing of refund claims related to export of goods as it has not been envisaged in the law. CBIC emphasised that exports have been zero rated under the Integrated Goods and Services Act. Hence, as long as goods have actually been exported, even after a period of three months, tax officials should not insist on payment of Integrated tax first and claiming refund at a subsequent date.

There have been reports that exporters were being asked to pay integrated tax in cases where the goods were exported more than three months after the date of the issue of the invoice for export. Tax experts said the circular has come at an opportune time.

Source : The Economic Times

## COLOMBIA: GROWING EXPORT MARKET FOR EXPORTS OF INDIAN TEXTILES AND CLOTHING PRODUCTS

### INTRODUCTION

Colombia is a country in northwestern South America that borders the Pacific Ocean and the Caribbean Sea. Neighboring countries include Brazil, Ecuador, Panama, Peru, and Venezuela. Colombia has a pro-market economic system in which the prices of goods and services are determined in a free price system. Colombia is a member of the Andean Community (ANCOM). Growth is projected to accelerate this year, powered by robust domestic demand. Next year, the economy is seen gaining further momentum as lower corporate taxes and fiscal exemptions support capital investment, with upbeat exports further supporting the expansion. Colombian GDP is expected to grow 3.1% in 2019 and 3.2% in 2020.

### COLOMBIA TEXTILE INDUSTRY

Colombia is recognized internationally as a country which possesses great strengths in the textile and apparel businesses and, specifically, in the fashion business. The different international fairs are a clear example of the strengths of the textile-apparel business, as well as of the huge efforts being made to modernize the industry and respond to the demands placed upon fairs of this type. Besides, one can identify the potential Colombia has as a reference point for other Latin American countries with regard to innovation, development and design

The Colombian textile-apparel sector is one of the nation's key industries, responsible for 9% of the country's productive GIP, 24%

of employment in manufacturing and 7% of total exports. The Colombian government implemented economic reforms at the beginning of the 90s in order to open the country's economy to foreign investment through tariff reductions, financial deregulation, the privatization of state companies and a more flexible exchange rate.

The textile-apparel sector is made up of near 550 textiles factories and 1500 apparel factories with more than 40 workers in each one of them. They are located largely in seven cities of the country, mainly in Medellín, which represents 53% of the country's textile production and 35% of the clothing production.

### HIGHLIGHTS:

- Imports of Textile & Clothing by Colombia from the world were US\$ 2.28 billion during 2018. India's share in total imports of Textile & Clothing of Colombia is 9.47%, worth US\$ 216 million in 2018.
- Textile imports of Colombia from the world accounted for nearly 71% (US\$ 1.61 Bn.) of its total T&C imports and Clothing imports of Colombia from the world accounted for only 29% (US\$ 0.67 Bn.) during 2018. Imports of Made-ups from the world reached over US\$ 112 million with a share of nearly 4.89% during the year.
- Colombia's total imports of MMF textiles from the world during 2018 stood at US\$ 1754 million, of which India's share was only US\$ 94.03 million (5.35%).
- Hence, there is tremendous scope to increase India's exports to Colombia and increase our market share.

### COLOMBIA'S TEXTILE AND CLOTHING IMPORTS FROM WORLD DURING 2018

Value in US\$ 000

Chapter	Product Description	Imports from World	Imports from India	India's Share (%)
50	Silk	1078	31	2.88
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	9109	139	1.53
52	Cotton	485097	119040	24.54
53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	6645	584	8.79
54	Man-made filaments; strip and the like of man-made textile materials	303542	28142	9.27
55	Man-made staple fibres	292384	35527	12.15
56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	111791	476	0.43
57	Carpets and other textile floor coverings	26448	2198	8.31
58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	32412	501	1.55
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable . . .	54299	19	0.03
60	Knitted or crocheted fabrics	176882	9	0.01
61	Articles of apparel and clothing accessories, knitted or crocheted	322419	6191	1.92
62	Articles of apparel and clothing accessories, not knitted or crocheted	349472	16152	4.62
63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	111580	7022	6.29
		<b>2283158</b>	<b>216031</b>	<b>9.46</b>

Source: ITC, UN Comtrade



**LEADING SUPPLIERS OF TEXTILE PRODUCTS  
TO COLOMBIA IN 2018**

Sr. No	Country	Imports in US\$ Mn
1	China	164.55
2	India	35.52
3	Indonesia	31.64
4	Viet Nam	31.32
5	Peru	26.60
6	Thailand	22.78
7	United States of America	19.80
8	Taipei, Chinese	18.02
9	Mexico	16.16
10	Pakistan	14.97

Source: ITC

**LEADING SUPPLIERS OF CLOTHING  
PRODUCTS TO COLOMBIA IN 2018**

Sr. No	Country	Imports in US\$ Mn
1	China	150.34
2	Bangladesh	42.49
3	Turkey	21.82
4	Viet Nam	18.61
5	India	16.15
6	Morocco	14.57
7	Cambodia	12.24
8	Peru	12.01
9	Indonesia	9.85
10	Honduras	9.60
11	Pakistan	8.27
12	Mexico	7.61

Source: ITC

**Major MMF textiles (Chapter 54 & 55) imported by Colombia from world and India during 2018**

Value in USD Mn.

HS Code	Product Description	Imported from World in 2018	Imported from India in 2018
540233	Textured filament yarn of polyester (excluding that put up for retail sale)	69.95	17.98
550953	Yarn containing predominantly, but < 85% polyester staple fibres by weight, mixed principally ...	87.17	21.57
540244	Synthetic filament elastomeric yarn, single, untwisted or with a twist of <= 50 turns per metre ...	34.32	1.58
540752	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament ...	32.10	0.04
550320	Staple fibres of polyesters, not carded, combed or otherwise processed for spinning	22.45	2.30
551512	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...	22.23	0.56
540231	Textured filament yarn of nylon or other polyamides, with a linear density of <= 50 tex per ...	18.95	0
540245	Filament yarn of nylon or other polyamides, incl. monofilament of < 67 decitex, single, untwisted ...	16.54	0
540761	Woven fabrics of yarn containing >= 85% by weight of non-textured polyester filaments, incl. ...	15.98	0.05
540753	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament ...	14.33	0.29
551011	Single yarn, containing >= 85% artificial staple fibres by weight (excluding sewing thread ...	12.46	1.02
550921	Single yarn containing >= 85% polyester staple fibres by weight (excluding sewing thread and ...	10.97	2.33
551614	Woven fabrics containing >= 85% artificial staple fibres by weight, printed	10.95	0
540751	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament ..	10.88	0.02
540769	Woven fabrics of yarn containing >= 85% by weight of mixtures of textured and non-textured ...	10.75	0.01



HS Code	Product Description	Imported from World in 2018	Imported from India in 2018
550390	Synthetic staple fibres, not carded, combed or otherwise processed for spinning (excluding ...	9.86	0
540754	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament ...	9.56	0.07
551341	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, ...	9.39	0
540247	Filament yarn of polyester, incl. monofilament of < 67 decitex, single, untwisted or with a ..	887	2.08
551612	Woven fabrics containing >= 85% artificial staple fibres by weight, dyed	8.73	0
550810	Sewing thread of synthetic staple fibres, whether or not put up for retail sale	7.76	0
551611	Woven fabrics containing >= 85% artificial staple fibres by weight, unbleached or bleached	7.42	0
551311	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, ...	6.60	0.12
540220	High-tenacity filament yarn of polyesters (excluding that put up for retail sale)	6.39	0.07
540783	Woven fabrics of yarn containing predominantly, but < 85% synthetic filament by weight, incl. ...	6.39	3.07
540720	Woven fabrics of strip or the like, of synthetic filament, incl. monofilament of >= 67 decitex ...	6.22	1.34
551321	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, ...	5.08	0
551511	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...	5.04	3.86
550130	Filament tow as specified in Note 1 to chapter 55, acrylic or modacrylic	4.69	0
551211	Woven fabrics containing >= 85% polyester staple fibres by weight, unbleached or bleached	4.16	0.11
551423	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...	3.86	0
540742	Woven fabrics of filament yarn containing >= 85% nylon or other polyamides by weight, incl. ...	3.84	0
540110	Sewing thread of synthetic filaments, whether or not put up for retail sale	3.68	0.05
551219	Woven fabrics containing >= 85% polyester staple fibres by weight, dyed, made of yarn of different ...	3.63	0.07
540793	Woven fabrics of yarn containing predominantly, but < 85% synthetic filament by weight, incl. ...	3.50	0.36
550932	Multiple "folded" or cabled yarn containing >= 85% acrylic or modacrylic staple fibres by weight ...	3.39	0.30
551623	Woven fabrics containing predominantly, but < 85% artificial staple fibres, mixed principally ...	3.30	0
540219	High-tenacity filament yarn of nylon or other polyamides (excluding sewing thread, yarn put ...	3.12	0
540773	Woven fabrics of yarn containing >= 85% synthetic filament by weight, incl. monofilament of ...	3.08	0.02
540710	Woven fabrics of high-tenacity yarn, nylon, other polyamides or polyesters, incl. monofilament ...	2.98	0.02

**EXPORTS OF INDIAN MMF TEXTILES TO COLOMBIA DURING LAST FIVE YEARS**

Value in US\$ Mn

	Fabrics	Made-ups	Yarn	Fibre	Total	% Gr./Dec
2014-2015	12.77	0.95	42.66	5.04	61.42	15.76
2015-2016	11.15	0.54	32.00	2.08	45.77	-25.48
2016-2017	9.88	0.71	39.46	2.84	52.89	15.56
2017-2018	10.26	0.32	32.55	1.34	43.13	-18.45
2018-2019	11.81	0.67	44.07	2.14	58.69	36.08

India's MMF Exports to Colombia have grown over 36% during the year 2018-19 as compared to the previous year. Yarns were the dominant items in the export basket with a share of 75%, followed by fabrics 20% and fibre 4%.

**INDIA'S MAIN ITEMS OF EXPORT TO COLOMBIA DURING 2018-19**

**Fabrics :** Polyester Viscose Fabrics  
Polyester Blended Fabrics  
Polyester Wool Fabrics  
Shirting Fabrics

**Made-up :** Shawls/scarves  
Muffler  
Bulk Container  
Rope

**Yarn :** Polyester Textured Yarn  
Polyester Cotton Yarn  
Polyester Spun Yarn  
Viscose Spun Yarn

**Fibre :** Polyester Staple Fibre

**EXPORT PROMOTIONAL INITIATIVE OF THE COUNCIL**

In view of the scope for further increasing exports of Indian textiles products including Man-made fibre textiles to Colombia, the Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) as the lead Council, is mobilizing participation of its member-companies and others in COLOMBIATEX being organized in Medellin City, Colombia from 21 to 23 January 2020. Since the program is being organized under the Market Access Initiative (MAI) Scheme of the Ministry of Commerce, Govt. of India, all eligible participating companies will be given financial assistance through subsidized participation charges, subject to the fulfillment of certain conditions.

COLOMBIATEX is the largest Fair in Latin America for the entire Textile Value Chain, attracting buyers from all over the LAC region to source their textile requirements. The textile and apparel sector is one of the most important sectors in Colombia. The Colombian market offers tremendous opportunity for supply of yarns and fabrics for the manufacture of apparel.

Members of the Council are requested to participate in big number and take advantage of the initiative of this Council to establish foothold not only in Colombia but also in its neighbouring markets.



## “Best Practices in the Indian MMFT Industry to create a Sustainable Environment” – Pal Fashions Private Limited



Sardar Ascharj Singh Ahuja



Sardar Charan Singh Ahuja

Established by Sardar Ascharj Singh Ahuja in 1981, Pal Fashions Private Limited has set an unprecedented example in the Indian Man-made Fibre Textile Industry by creating a Sustainable and Environment friendly work place. The company began by turning a vacant piece of land in their textile processing unit into a lush patch by planting trees that grew fruits and vegetables, thereby catering to the in-house canteen which serves all its employees at least 2 meals a day!

From 1999 onwards the expansion of Pal Fashions Private Limited has been by adopting 'Green' manufacturing practices such as 'emersing', 'dewdrop printing', schiffli embroidery, garment in hand setting up a pioneering waterless printing facility. The company has stopped using 'Fossil Fuel' since 2008. Thermic Fluid Heaters and Steam

Boilers are operating successfully only on renewable energy – 'Bio-waste Briquettes' since the past 11 years. Pal Fashions is now eligible for getting 'carbon credits' thanks to its relentless pursuit of green manufacturing thereby significantly reducing emission of 'greenhouse gases'.

Since 2013 under the leadership of Shri Charan Singh Ahuja, MD, major efforts and investments have been made to reduce water consumption by as much as 30% through recycling and reuse. After these initiatives, Pal Fashions has embarked on its most ambitious 'Sustainability' mission to build and develop 77,500 lungs for the benefit of all stakeholders employed in the industrial belt of Tarapur. The company is deploying the Dr. Akira Miyawaki methodology of planting native tree saplings to develop a dense and self-sustaining forest spread across 10 forests in this leading textile belt.

It is the Council's privilege to share this noble project of one of its members along with the thoughts of their MD, Shri Charan Singh Ahuja.

### Shri Charan Singh Ahuja MD, Pal Fashions Private Limited

“As a longtime member of SRTEPC it is my sincere endeavor to ensure our Council makes a difference. This is a note on how we could put into action the Miyawaki methodology to demonstrate its huge impact with minimal resources.

Dr Akira Miyawaki's methodology ensures over 95% survival compared to single digit survival in conventional plantations. Density is more than 30 times, 2 to 3 large trees grow in one square meter. This means 30 times carbon dioxide and other greenhouse gases are being absorbed. The growth rate is 10 times faster, in less than 2 years many trees grow over 20 feet tall.”

“Pal Fashions Private Limited has successfully demonstrated this model in Tarapur MIDC, where the Pal Miyawaki Forest stands with over 25000 native trees on a 4 acre plot. The open space had been the industrial area's dumping ground for over 30 years so the soil conditions were very hostile before plantation started on 5th November 2016.

Surrounded by over a thousand factories, the trees have not only survived but are managing to thrive. Amazing biodiversity has appeared in this short period with innumerable birds, butterflies, reptiles, shrubs, medicinal herbs creating a natural habitat in the midst of the industrial area.

Miyawaki methodology of forest regeneration involves excavating the soil upto 2 to 3 feet. To make up for some nutrients, locally available biomass like rice husk, cocopeat, vermicompost, etc are added to this soil while loosely refilling the plantation bed.

Planting saplings of native trees having an intensive root system in close proximity, gives nature a chance to miraculously ensure that the nutrients are transferred from one species to another.

A thick blanket of rice straw is placed on top to ensure water stays in the soil for much longer. De-weeding is required in the first 6 months after which all dried leaves and twigs decompose to form humus and compost for regenerating the soil.

Less spacing between saplings stimulates faster growth, trees compete to grow taller to reach out for the sunshine. As the density increases, the sunlight does not reach the ground so evaporation is curtailed and within 3 years not a drop of water goes out of the system, which means no more watering is required.

The cost of setting up such a forest is very low, maintenance is minimal and the results are astounding so SRTEPC must replicate this model across the Country and encourage every member to set up tiny forests which will offset their industry's negative impact on the environment.

These forests are oxygen banks as well as water banks since the trees store enormous quantity of water during the monsoon and also ensure water tables rise over the years, instead of falling.

MIDC has upto 10% area for greening so industries can approach them for allotting land for tree plantation in their vicinity. Even the forest department wants to enter into tripartite agreements with industries and NGOs to adopt forest land.

Pal Fashions has a large team of volunteers who are trained in this methodology. Under the aegis of SRTEPC, they can provide complete training to our members.

This unique method is easily doable and has the potential to turn into a movement which can bring significant improvement in our environment”



Continued from page 4



*The members of the Delegation meeting Director of IP LLC Sedat Triko Tashkent, Mr. Konstantin*

- 5) The delegation visited IP LLC Sedat Triko Tashkent and met its Director Mr. Konstantin. They are manufacturer of textile accessories for clothes, shoes, laces, embellishments, knit wear & scarves. They were interested in sourcing Acrylic Fiber, Viscose, Polyester & other related items.
- 6) The delegation also visited a Knit Apparel Manufacturing factory in Tashkent region.
- 7) The last visit was to LLC BF Textile a Dyeing Factory manufacturing Home Textile & Bed sheets, who are interested in sourcing of Viscose yarn etc. from Indian manufacturers.

The delegation concluded that Uzbekistan has very good potential for MMFT products and the current government of Uzbekistan is extremely supportive for investments & joint ventures in MMF textile. Uzbekistan

market has shortage of MMF textiles and holds extremely good opportunity for Indian MMF textile manufacturers & exporters.

Uzbekistan manufacturers have good access to all CIS & Balkan countries. Currently they are importing mainly from China but are looking at MMFT options from India.

Only obstacle in fast trade development to Uzbekistan is shipment time since all shipments have to be routed through Bunder Abbas, Iran or through Georgia, Porti route which becomes time consuming and expensive.



*The members of the High Level Textile Delegation from l to r Shri Sanjeev Saran; Shri Sri Narain Aggarwal; Shri Anil Rajvanshi and Shri Ronak Rughani.*





## SRTEPC organizes participation in 65<sup>th</sup> Cairo Fashion & Tex, Egypt



*H. E. Mr. Rahul Kulshreshth, Ambassador of India to Egypt (second from left) along with from l to r Shri Nihar Ranjan Dash, Joint Secretary, Ministry of Textiles ; Mr. M. Mohamed Abd El Salam, President, ECAHT; Dr. Vinod Bahade, First Secretary, Embassy of India, Egypt and Mr. Sherif, prominent buyer in Egypt jointly inaugurating the 'India Pavilion' at 65th Cairo Fashion & Tex.*

Ambassador of India to Egypt; Shri Nihar Ranjan Dash, Joint Secretary, Ministry of Textiles; Shri Pankaj Kumar Singh, Dy Secretary, Ministry of Textiles; Mr. M. Mohamed Abd El Salam, President, ECAHT and Mr. Sherif, prominent buyer in Egypt. This was followed by the ceremonial lighting of the lamp by them amidst the presence of the local dignitaries, Indian participants and Egyptian media. Dr. Vinod Bahade, First Secretary Embassy of India, Egypt and Shri Nahas Ali, Third Secretary, Embassy of India, Egypt were also present at the Inauguration.

After inaugurating the “Indian Pavilion” the senior officials of the Indian Mission, ECAHT and Ministry of Textiles visited the booths of the participating Indian companies and interacted with them.

### Objectives

The objective of organizing participation of the Indian member-companies in Cairo Fashion & Tex were as follows :

- Understanding the specific requirements of the Egyptian Buyers and traders of textiles and clothing, and identify their preferences to transact business accordingly.
- Providing opportunities to new participants to meet prospective buyers/agents to discuss business to enhance exports.
- Showcasing the capabilities of India as one of the reliable and quality suppliers of textiles & clothing in the world.
- Helping our member-exporters to renew and further expand their business with their existing customers.



H. E. Mr. Rahul Kulshreshth, Ambassador of India to Egypt and Mr. Mohamed Abd El Salam, President, ECAHT lighting the ceremonial lamp at the Inauguration of the 'India Pavilion'.



Shri Nihar Ranjan Dash, Joint Secretary, Ministry of Textiles lighting the ceremonial lamp at the Inauguration of the 'India Pavilion'.

The Council organized participation of its member-companies in the “65<sup>th</sup> Cairo Fashion & Tex” jointly with The Cotton Textiles Export Promotion Council (Texprocil), as part of its Export Programme for 2019-20 under the MAI Scheme. The Exhibition was held at Egypt International Exhibition Center (EIEC, Cairo from 10<sup>th</sup> to 12<sup>th</sup> October 2019 with the active support and assistance of the Embassy of India in Cairo.

Thirty-one Indian companies participated in the Exhibition at a specially demarcated area named “India Pavilion” to get the focused attention of the visiting buyers. A professional Exhibition Agency viz. M/s. Pyramids International was the organizer of the Exhibition and carried out the various arrangements and activities for participation at the Exhibition.

### Inauguration

The official inauguration of the Cairo Fashion & Tex coincided with that of the “India Pavilion” in the afternoon of the first day of the Exhibition i.e. 10<sup>th</sup> October 2019. The Ribbon Cutting ceremony was jointly done by H. E. Mr. Rahul Kulshreshth,





H. E. Mr. Rahul Kulshreshth, Ambassador of India to Egypt along with Shri Nihar Ranjan Dash, Joint Secretary, Ministry of Textiles ; Mr. Sherif, prominent buyer in Egypt and Mr. M. Mohamed Abd El Salam, President, ECAHT at SRTEPC Booth.

## Display of Products:

In all there were 31 Indian member-companies of both SRTEPC and Texprocil (21 from SRTEPC and 10 from Texprocil) who had showcased an array of their latest product range especially yarns and fabrics. The Products displayed at the “India Pavilion” were denims, suiting, shirting, and different varieties and blends of yarn. The display was well liked by the visiting buyers. The products that attracted the most attention of the buyers were denims, shirting and suiting.

## Preparation for member-exhibitors

The Council assisted the participating member-companies with the following to make their participation in the Exhibition effective and fruitful :

- Arranged for “Invitation Letters” from the organizers for obtaining visa expeditiously.
- Arranged hotel accommodation at a prominent place close to the venue.
- Provided extensive database of leading importers and agents in Egypt in advance to initiate business discussions
- Circulated a “Dossier on Egypt” providing detailed market inputs, useful tips on doing business along with a data-base of buyers of textiles in Egypt, etc. was compiled and the same was mailed to the participating member-companies.
- Negotiated and co-ordinated with the organizers to schedule 'one to one' business meetings for our participants with leading buyers in Egypt
- Provided service of interpreters/translators to help Indian participants to interact effectively with the visiting buyers.
- Participants were helped on various requirements like transportations from airport to hotel and hotel to the venue of the Exhibition and return, lunch, etc. during the Exhibition.

## Publicity & Promotion

The event was extensively publicized by the organizers in Cairo. The organizers brought out a Exhibitors Catalogue which carried details about the participating Indian companies.

## Response at the Exhibition

During the three-day event the “Indian Pavilion” was visited by buyers/traders of textiles, representatives of garment manufacturing companies, agents, etc. The visiting buyers had fruitful interactions with the Indian participants with some of them culminating into business orders. Most of the participants were able to develop potential trade contacts, while some of the participants have received positive enquiries and on-the-spot bookings of orders have also been reported. Though many of the participants were unwilling to divulge the details of business deals transacted, preliminary reports based on their post-exhibition feedbacks suggests that an estimated amount of US \$0.23 million trial orders were booked during the Exhibition and around US\$ 1.5 million business orders were under negotiation. Needless to say, most of the Exhibitors were also successful in developing fruitful business alliances with their Egyptian counterparts which is hoped to be realized in increased trade prospects and co-operation in the field of textiles. More than 50% of the participants have expressed their desire to participate in the Exhibition in future. The representatives of most of the Indian participating companies were also satisfied with the arrangements done by the Council and organizers.



H. E. Mr. Rahul Kulshreshth, Ambassador of India to Egypt and Mr. M. Mohamed Abd El Salam, President, ECAHT interacting with the representatives of SRTEPC participating member-companies at their booths

## Egyptian market

Egypt is one of the leading and very promising markets in the African Region for exporting fabrics, made-ups, yarn and clothing of different varieties. The exports of MMF textiles to Egypt were to the tune of around US\$ 160.55 Million during the year 2018-19. The main items, which are exported from India to Egypt include Polyester, Viscose, cotton, wool, silk fabrics and their blends, texturised yarn, polyester & viscose spun yarn, polyester staple fibre and other made-ups of different varieties. Accordingly, products like suiting, shirting, dress fabrics, fashion fabrics, fashion accessories, home textiles and made-up items of different designs/categories and varieties are being sourced by the Egyptian buyers from various markets including India. Egypt is a huge **Garment Manufacturing Centre** for which, it does require large quantities of raw materials including fabrics, yarns etc to cater to its growing requirements. However, since its domestic production of the materials that are needed for making garments is very inadequate, Egypt is largely dependent on imports. Hence, large quantity of fabrics and yarn is imported to meet the requirements of its thriving domestic garment industry. Besides this, there is also vast demand for made-up items and fashion fabrics to cater to its domestic requirements.

## Highlights of Egypt market

- Imports of Textile & Clothing by Egypt from the world were US\$ 4.38 billion during 2018.
- India's share in total imports of Textile & Clothing of Egypt is 9.21%, worth US\$ 403 million in 2018.
- Textile imports of Egypt from the world account for nearly 87% (US\$ 3.81 bn.) of its total T&C imports.
- Clothing imports of Egypt from the world account for only 13% (US\$ 0.56 Bn.) of its total T&C imports.
- Egypt's total imports of MMF textiles from the world during 2018 stood at US\$ 2622.24 million, of which India's share was only US\$ 167.98 million (6.40%).
- Hence, there is tremendous scope to increase India's exports to Egypt and increase our market share.

Total imports of textiles & clothing	:	US\$ 4377 Mn
Leading suppliers	:	China, Saudi Arabia, USA, Russian Federation, Germany
Share of India	:	1% (US\$ 402 million)
India's share of Cotton, cotton yarn/fabrics	:	US\$ 910 Mn.
India's share of Silk and silk products	:	US\$ 1 Mn.
India's share of Articles of apparel, accessories, knit or crochet	:	US\$ 134.80 Mn.
India's share of Articles of apparel, accessories, not knit or crochet	:	US\$ 432.93 Mn.
India's share of Man-made filaments	:	US\$ 1155 Mn.

## Conclusion

This was the third time the Council had organized participation of its member-companies in Cairo Fashion & Tex, the earlier two editions in 2015 and 2017 were successful and generated encouraging response to the participating companies. The 65<sup>th</sup> Cairo Fashion & Tex also evoked positive response from the visiting buyers and helped in creating awareness about growing capabilities of India, our wide range of products and in projecting India as a reliable source of supply of man-made textiles.

Continued from page 2

used in the automobile industry and as a filter fabric in heavy industries. Given the scope of this product category in the future it was imperative for the Drawback Committee to understand the processes of this very technical product.

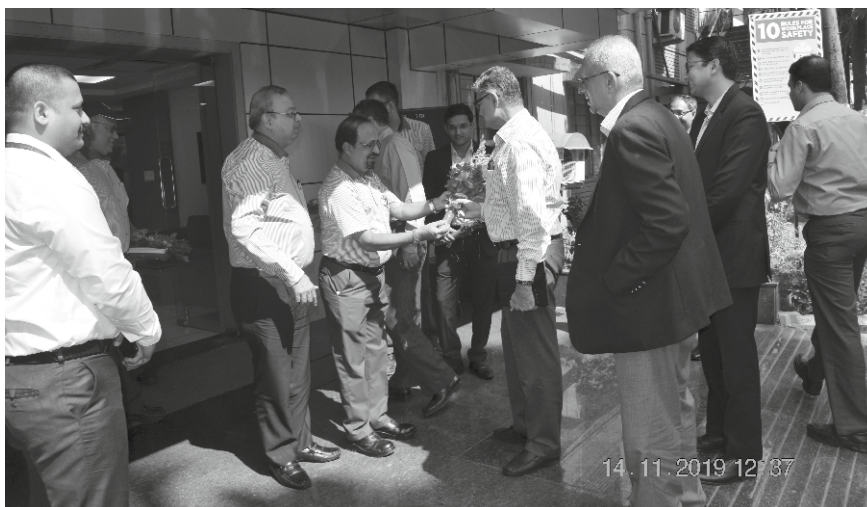
The SRTEPC team then took the Drawback Committee to powerloom units viz., Creative Fabrics and Shraddha Textiles. These units are engaged in the manufacture of Woven Fabrics using water-jet looms.

On 14<sup>th</sup> November 2019, the Council arranged for the Committee to visit the manufacturing plant of AYM Syntex Ltd, thereby covering the Nylon Filament Yarn category. The Council thus

provided a representation of manufacturing process of Viscose Staple, Non-Woven, Woven and Nylon textile sectors of the varied and diverse MMF industry.

The SRTEPC Office bearers led by the Chairman thanked the members of the Drawback Committee for their interest to understand the workings of this very important sector in the Indian Textile industry and for taking their time out to visit the factories to gain a first-hand experience.

The Chairman was hopeful that the Drawback Committee would make favourable recommendations for the benefit and future of the Indian MMFT Industry.



The members of the Drawback Committee being welcomed at the plant of M/s. AYM Syntex in Silvassa

### INFO SRTEPC ADVERTISEMENT TARIFF

Sr. No.	Advertisement	One issue	Three issues	Six issues	Twelve issues
1.	Advertisement Inside Half page (B/W)	4000	11000	21000	40000
2.	Inside full page (B&W)	8000	22000	42000	80000
3.	Inside half page (colour)	5000	12000	30000	65000
4.	Inside full page (colour)	9000	25000	48000	85000
5.	Front Inside Page( Colour)	10000	27500	50000	90000
6.	Back inside Page( Colour)	15000	42500	80000	150000
7.	Back cover Page ( Colour)	20000	55000	105000	200000

#### Technical Specifications

Full page area : 11" L x 8.5" W (Maximum)

Half page area : 5.5" L x 8.5" W (Maximum)

## **WTO PANEL RECOMMENDED INDIA TO WITHDRAW MAJOR EXPORT RELATED SCHEMES IN SIX MONTHS TIME**

The United States has challenged the major Schemes of India at the WTO Dispute Settlement Body (DSB) terming them as alleged and prohibited export subsidies that accordingly to US are inconsistent with Articles 3.1 (a) and 3.2 of the SCM Agreement of WTO. The export related schemes provided by India on which US has taken objection are under five sets of measures viz., the Export Oriented Units, Electronics Hardware Technology Park and Bio-Technology Park (EOU/EHTP/BTP) Schemes, the Export Promotion Capital Goods (EPCG) Scheme, the Special Economic Zones (SEZ) Scheme, a collection of duty stipulations described in these proceedings as the Duty-Free Imports for Exporters Scheme (DFIS), and the Merchandise Exports from India Scheme (MEIS). The United States further requested, pursuant to Article 4.7 of the SCM Agreement, that the WTO Dispute Settlement Panel/ appellate authority recommend that India withdraws the subsidies within 90 days from the date the DSB adopts its recommendations.

India in turn requested the WTO Panel to find that Article 3 of the SCM Agreement does not apply to India by virtue of Article 27.2(b) granting India an eight-year exemption period from India's Annex VII(b) graduation. India also requested that the Panel find that, in any event, the challenged schemes are not export subsidies and are not inconsistent with Articles 3.1 (a) and 3.2 of the SCM Agreement. Moreover, India requested the Panel to find that the dispute could not be subject to Article 4 of the SCM Agreement or, in the alternative, to dismiss the dispute due to the insufficiency of the statement of available evidence under Article 4.2 of the SCM Agreement.

The WTO Dispute Settlement Panel has accessed the matter as per the set rules of the SCM Agreement. As per the Panel's recommendation, the WTO on October 31, ruled that the measures under the four schemes existing in India did not meet the eligible conditions fit for continuing, read together with the relevant paragraphs of Annex I of the SCM Agreement,

### **WTO Panel's Recommendation**

The Panel recommended that India withdraw the prohibited subsidies under Duty-Free Imports for Exporters Scheme (DFIS) within 90 days from adoption of the Report; that it withdraw the prohibited subsidies under the EOU/EHTP/BTP Schemes, EPCG Scheme, and MEIS within 120 days from adoption of the Report; and that it withdraw the prohibited subsidies under the SEZ Scheme within 180 days from adoption of the Report.

According to the WTO rules, parties to a dispute can appeal a panel's ruling. Appeals have to be based on points of law, such as legal interpretation — they cannot re-open factual findings made by the panel. Each appeal is heard by three members of an Appellate Body comprising persons of recognized authority and unaffiliated with any government.

In line with the WTO provisions, to counter the above development, India appeals Panel report regarding export promotion measures. India filed an appeal on 19 November concerning the WTO panel report that was circulated to WTO members on 31 October 2019. in the case brought by the United States in “India — Export Related Measures”. Generally, the Appellate Body has up to 3 months to conclude its report.

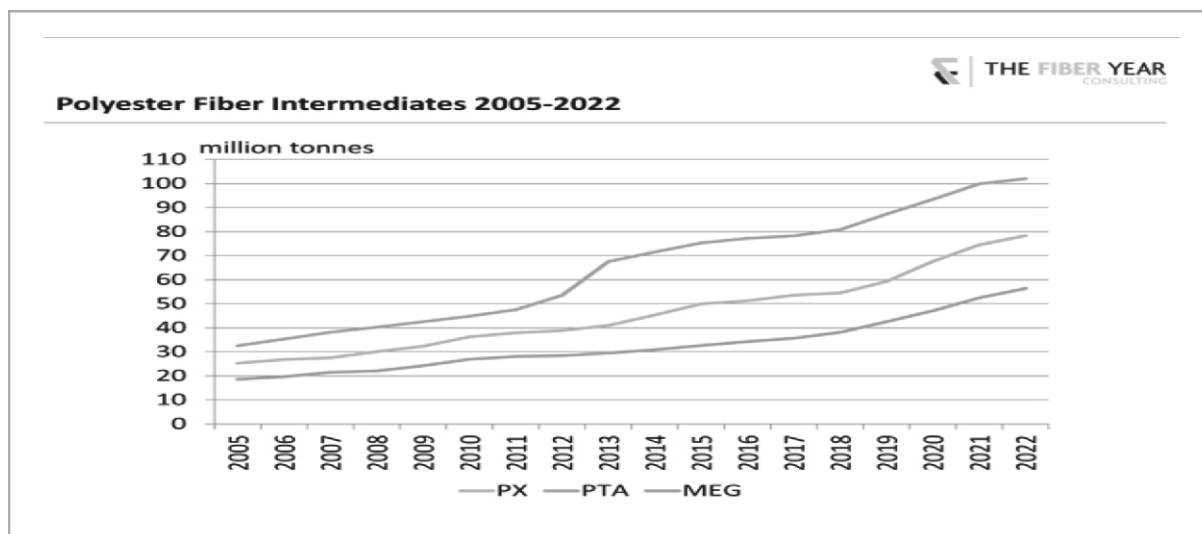
**(SOURCE: WTO)**





## Significant positive impact of growing global investments on Manmade Fibre (MMF) Feedstocks is likely to be seen

Manmade fibres account for more than 60 percent of the world fibre market, and their ongoing growth is supported by comparatively low crude oil prices in recent years despite increasing geopolitical risks in key oil-producing regions. Superior fibre properties and growing awareness on plastic waste currently lead to an unprecedented size of new raw material capacity for manmade cellulosic fibres.



**SOURCE:** *The Fibre Year Book*

Polyester is the leading fibre material in the MMF business, benefiting from quite low crude oil prices recently. The OPEC basket price in the quota-free period since 2005 averages at about 74 dollars per barrel. The recent average since 2015 is even 20 dollars lower than that, and a clear recovery was not yet visible after the dramatic contraction starting mid-2014.

The main polyester feedstocks are paraxylene (PX), purified terephthalic acid (PTA), which has almost entirely replaced dimethyl terephthalate (DMT), and mono ethylene glycol (MEG). The past development including an outlook until 2022 is illustrated in above Figure. Massive investments have targeted the Chinese market, and most of the future capacity additions will be realized there to successfully pursue the long-term strategy of backward integration. Nevertheless, a missing linkage between the fibre and petrochemical sector has been witnessed in former times, and a similar bottleneck at present exists for paraxylene following tremendous expansions of downstream PTA capacity. The enlarged foreign PX sourcing offers potential for neighbouring industries to export higher quantities into China. This opportunity, however, will not last as Chinese PX capacities are scheduled to more than double in the foreseeable future, which will cause headaches to today's main PX exporting nations threatened by higher self-sufficiency. Main reasons for accelerated PX capacity additions beyond import substitution are the Chinese ban on plastic waste imports, which fuels demand for polyester feedstocks, low oil prices make virgin material more economically viable than recycled plastic, and delays in mega projects, i.e. three Chinese projects with a joint capacity in excess of 10 million tonnes.

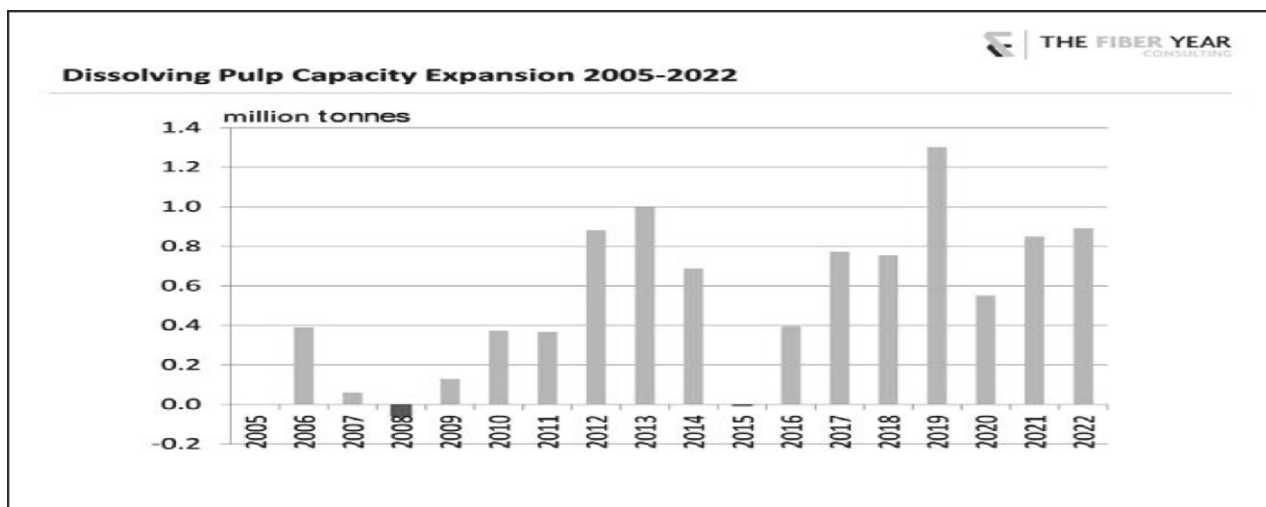
In addition, polyester raw material investments planned until 2022 are further expected in a small number of countries. New PX capacity is expected for the Middle East, Saudi Arabia and United Arab Emirates, as well as three facilities in Asia – Brunei, India and Indonesia. An expansion in the United States from a new cracker and aromatics project with global scale is also currently in the planning stages with a final decision expected by the end of 2019.

Two PTA projects with joint 2.5 million tonnes capacity are in the pipeline for India and the U.S., while Portugal restarted a plant in mid-2018 that was idle since late 2015. The MEG industry will experience a stronger contribution of investments beyond China. Five projects for the U.S. from foreign investors, and one new plant each in Brunei, India, Malaysia and Saudi Arabia are projected to come online in the next couple of years with a joint capacity of seven million tonnes. Main driving force for Chinese capacity growth is the syngas route, and coal-to-MEG may amount to almost half the installed capacity in China by 2022 from zero ten years ago. However, it needs to be considered that coal has lost its cost advantage after the oil price crash in 2014, and such plants are not compatible with the government's campaign against pollution.



The manmade cellulosic fibre segment continued its breathtaking recovery that began in 2002, marking a new all-time high last year at almost seven million tonnes. The staple fibre business in particular has outperformed the entire market of synthetic staple fibres in every year since the financial crisis, thus recording higher dynamics for the 10th consecutive year. The growth momentum for viscose staple fibres is believed to accelerate when taking into account global investments, superior properties of this fibre type including its biodegradability, increasing media response to plastic waste from oil-based fibres, improved security of supply over natural fibres, growing awareness of consumers for environmentally safe clothing, and a limitless raw material supply. Meanwhile, acetate tow will further soften due to ongoing shrinkage of cigarette shipments unless it successfully manages to enter new markets.

The brisk viscose fibre demand explains rising upstream dissolving wood pulp investments that are predicted to witness an unprecedented size of new capacity around the globe in 2019 (refer below Figure).



**SOURCE:** *The Fibre Year Book*

U.S. capacity was the largest until 2017 before Asian investments took the lead. Plants in the region are located in Brazil, Canada and the U.S. Three new plants in the Americas are expected to come on-stream by 2022, with investments targeting debottlenecking and conversion to specialty grades.

Asia, housing a quarter of world capacity in 2015, is predicted to expand its share to more than 40 percent from 2019. Expansions will be realized in China, Indonesia and Laos, while the remaining industries will be stagnant apart from small debottlenecking in Japan.

Dissolving wood pulp capacity in Europe is spread over nine countries with a joint capacity of nearly two million tonnes. Two new mills are projected to start-up, with further investments are planned for debottlenecking and full-scale production of a Spanish plant after a five-year closure.

The only dissolving wood pulp capacity on the African continent is located in South Africa at three facilities of the world's largest manufacturer. A debottlenecking project by 50,000 tonnes was completed in late 2018, and another debottlenecking investment by 120,000 tonnes is scheduled to be completed in late 2020.

These growing investments in the MMF feedstocks across the world once commence production, are likely to have significant impact on price of the downstream value textile chain globally, including the Indian textile raw material market.

(This article is based on abstracted information sourced from the textile yearbook, *The Fibre Year Book*.)

## REVIEW OF INDIA'S MAN-MADE FIBRE TEXTILES EXPORTS DURING APRIL – SEPTEMBER 2019-20

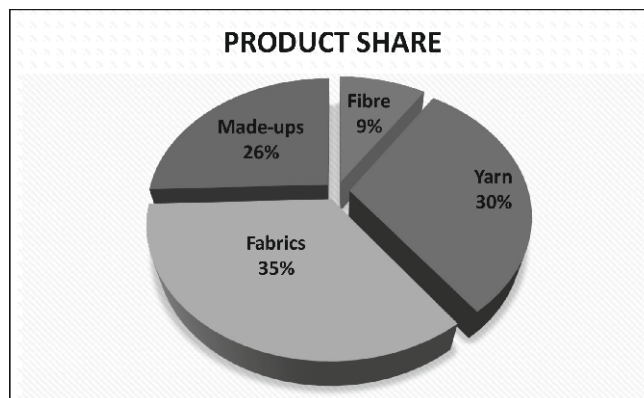
Exports of Indian MMF textiles during April-September 2019-20 were US\$ 2919.47million against US\$ 3108.48 million witnessing a decline of 6.08% as compared to the same period of the previous year (Source: MOC).

Product	In Value USD Mn		% Growth	In Value USD Mn		% Growth
	Sep - 18	Sept - 2019 (P)		Apr - Sept 2018 - 19	Apr - Sept 2019 - 20 (P)	
Fibre	45.11	32.07	-28.91	300.50	271.89	-9.52
Yarn	166.49	145.36	-12.69	1070.78	891.15	-16.78
Fabrics	179.17	176.88	-1.28	946.04	1009.82	6.74
Made-ups	131.24	125.26	-4.56	791.16	746.61	-5.63
<b>Total</b>	<b>522.01</b>	<b>479.57</b>	<b>-8.13</b>	<b>3108.48</b>	<b>2919.47</b>	<b>-6.08</b>

\*P = Provisional

### PRODUCT SHARE

During April-September 2019-2020, dominated products in the Indian MMF textiles export basket was fabrics accounting for a share of 35% followed by yarn 30%, Made-ups 26% and Fibre9%.



### HIGHLIGHTS

- Overall exports in April-September 2019-20 declined by 6.08% as compared to the same period of the previous year.
- Exports of MMF yarns have witnessed a decline of 16.78% during April-September 2019-20 as compared to the same period of the previous year.
- Exports of MMF made-ups have also witnessed a decline of 5.63% during the period as compared to the same period of the previous year.
- Exports of Manmade fibres (MMF) have also witnessed a decline of 9.52% during the period as compared to the same period of the previous year.
- Only MMF Fabrics exports witnessed 6.74% growth during April-September 2019-2020 as compared to the same period of the previous year.
- Exports of fabrics dominated with 35% share followed by yarn 30%, Made-ups 26% and Fibre 9% in the Indian MMF textile exports.
- Share of the value-added segments like fabrics and Made-ups have increased to 60% of total exports.

- In the fabrics segment Synthetic Filament Fabrics (US\$ 371.55Mn) the top exported product in India's MMF textile exports followed by Polyester Filament Fabrics (US\$ 197.32 Mn) during April-September 2019-2020.
- Nylon Filament Fabrics exports have been excellent with nearly 64% growth.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth (US\$ 534.04 Mn) followed by Polyester Cotton Yarn (US\$ 71.04 Mn), Polyester Spun Yarn (US\$ 64.90 Mn).
- In Made-ups, exports of Bulk Containers was the leading item with exports worth US\$ 351.05 Mn followed by motifs US\$ 52.24 Mn, shawls/scarves and muffler worth US\$ 43.62 Mn and US\$ 39.66 Mn respectively.
- Polyester Staple Fibre (US\$ 146.27 Mn) was the leading item in the MMF category followed by Viscose Staple Fibre (US\$ 83.83 Mn).
- USA was the leading market for Indian MMF textiles during April-September 2019-20 with 10% share in total exports followed by Turkey 8% and UAE 6%.
- Other major markets during April-September 2019-20 were Brazil (4%) Sri Lanka, Germany, Egypt, Italy, Belgium and Pakistan with share of 3% and 2% each.
- UAE, USA and Sri Lanka were the leading markets for Indian MMF Fabrics during April-September 2019-2020.
- USA was also leading market for Indian MMF Made-ups and fibre during the period, followed by UAE, Germany.
- Yarn Exports to important markets like Turkey, Brazil and Egypt have declined significantly by 12.85%, 31.52% and 15.26% respectively.
- Yarn Exports to UAE have increased by 40%.
- Made-ups exports to Egypt showed an impressive growth rate by 79.62%.

#### PRODUCT-WISE EXPORT PERFORMANCE APRIL-SEPTEMBER 2019-20

Product Description	Apr - Sept 2018-19	Apr - Sept 2019-20	% Net Change	% Grw / Decline
<b>FABRICS (WOVEN, NON-WOVEN, KNITTED)</b>				
Synthetic Filament	306.00	371.55	65.55	21.42
Polyester Filament	195.48	197.32	1.84	0.94
Polyester Viscose	149.22	138.70	-10.52	-7.05
Polyester Blended	42.16	44.45	2.29	5.43
Nylon Filament	13.30	21.87	8.57	64.44
Polyester Wool	19.69	16.95	-2.74	-13.92
Polyester Cotton	20.25	16.11	-4.14	-20.44
Viscose Blended	13.06	11.81	-1.25	-9.57
Viscose Spun	12.78	10.48	-2.30	-18.00
Artificial Filament	7.46	8.34	0.88	11.80
Viscose Filament	11.72	8.24	-3.48	-29.69
Other Fabrics	154.34	162.45	8.11	5.25
<b>Total Fabrics</b>	<b>945.46</b>	<b>1008.27</b>	<b>62.81</b>	<b>6.64</b>



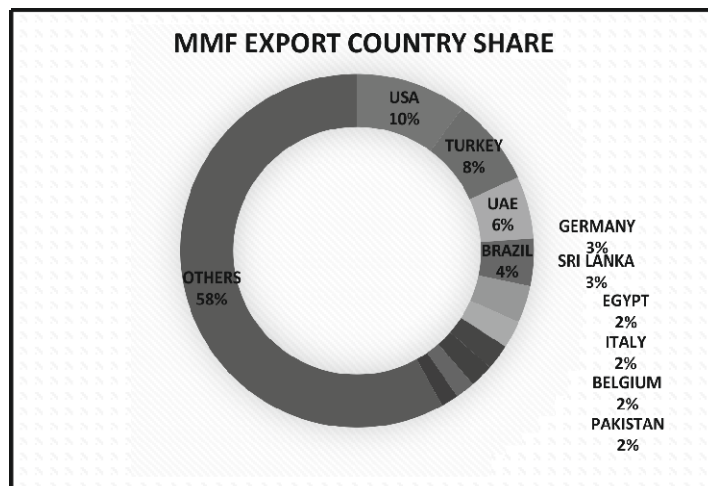


Product Description	Apr - August 2018-19	Apr - August 2019-20	% Net Change	% Grw / Decline
<b>YARN</b>				
Polyester Filament	631.45	534.04	-97.41	-15.43
Polyester Cotton	94.38	71.04	-23.34	-24.73
Polyester Spun	86.95	64.90	-22.05	-25.36
Polyester Viscose	76.10	55.89	-20.21	-26.56
Viscose Spun	36.09	42.83	6.74	18.68
Acrylic Spun	21.40	20.18	-1.22	-5.70
Viscose Filament	26.57	18.93	-7.64	-28.75
Synthetic Spun	24.10	17.92	-6.18	-25.64
Nylon Filament	13.24	15.78	2.54	19.18
Polyester Wool	10.89	7.01	-3.88	-35.63
Other Yarn	49.61	42.63	-6.98	-14.07
<b>Total Yarn</b>	<b>1070.78</b>	<b>891.15</b>	<b>-179.63</b>	<b>-16.78</b>
<b>MADE-UPS</b>				
Bulk Containers	365.89	351.05	-14.84	-4.06
Motifs	37.04	52.24	15.20	41.04
Shawls/Scarves	60.82	43.62	-17.20	-28.28
Muffler	32.14	39.66	7.52	23.40
Fishing Net	29.84	28.99	-0.85	-2.85
Dress Material	3.40	15.27	11.87	349.12
Rope	13.35	13.58	0.23	1.72
Blanket	14.23	13.16	-1.07	-7.52
Bedsheet	16.66	10.93	-5.73	-34.39
Sacks and Bags	12.39	10.01	-2.38	-19.21
Furnishing Articles	7.69	9.76	2.07	26.92
Other Made-ups	197.71	158.34	-39.37	-19.91
<b>Total Made-ups</b>	<b>791.16</b>	<b>746.61</b>	<b>-44.55</b>	<b>-5.63</b>
<b>FIBRE</b>				
Polyester Staple	163.57	146.27	-17.30	-10.58
Viscose Staple	96.41	83.83	-12.58	-13.05
Acrylic Staple	26.25	25.20	-1.05	-4.00
Other Fibre	14.27	16.59	2.32	16.26
<b>Total Fibre</b>	<b>300.50</b>	<b>271.89</b>	<b>-28.61</b>	<b>-9.52</b>

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

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

## LEADING MARKETS



## LEADING MARKETS

Value in US\$ Million

Markets	Apr - Sept 2018-19	Apr - Sept 2019-20	Net Change	% Grw Decn
USA	321.20	295.63	-25.57	-7.96
TURKEY	269.31	235.11	-34.20	-12.70
UAE	159.91	167.17	7.26	4.54
BRAZIL	180.81	125.29	-55.52	-30.71
SRI LANKA	85.99	99.73	13.74	15.98
GERMANY	83.46	73.46	-10.00	-11.98
EGYPT	77.64	67.83	-9.81	-12.64
ITALY	82.90	62.85	-20.05	-24.19
BELGIUM	59.33	52.71	-6.62	-11.16
PAKISTAN	56.22	46.29	-9.93	-17.66

## MAJOR MARKETS FOR MMF FABRICS

Value in US\$ Million

Markets	Apr - Sept 2018-19	Apr - Sept 2019-20	Net Change	% Grw / Decn
UAE	93.37	95.34	1.97	2.11
USA	84.60	85.16	0.56	0.66
SRI LANKA	69.95	83.77	13.82	19.76
PAKISTAN	22.00	24.69	2.69	12.23
EGYPT	20.86	15.20	-5.66	-27.13
ITALY	13.09	10.36	-2.73	-20.86
BELGIUM	9.28	9.77	0.49	5.28
GERMANY	6.77	6.34	-0.43	-6.35
TURKEY	5.32	5.94	0.62	11.65
BRAZIL	3.61	3.80	0.19	5.26

**MAJOR MARKETS FOR MMF YARN**

Value in US\$ Million

Markets	Apr - Sept 2018-19	Apr - Sept 2019-20	Net Change	% Grw / Decn
TURKEY	241.13	210.14	-30.99	-12.85
BRAZIL	165.85	113.57	-52.28	-31.52
EGYPT	50.01	42.38	-7.63	-15.26
USA	39.63	35.44	-4.19	-10.57
BELGIUM	20.35	18.67	-1.68	-8.26
PAKISTAN	21.73	17.25	-4.48	-20.62
SRI LANKA	11.73	12.52	0.79	6.73
ITALY	13.90	10.42	-3.48	-25.04
UAE	7.28	10.21	2.93	40.25
GERMANY	14.65	7.42	-2.73	-5.06

**MAJOR MARKETS FOR MMF MADE-UPS**

Value in US\$ Million

Markets	Apr - Sept 2018-19	Apr - Sept 2019-20	Net Change	% Grw / Decn
USA	154.80	152.43	-2.37	-1.53
UAE	58.17	60.63	2.46	4.23
GERMANY	53.97	51.24	0.39	4.83
ITALY	48.74	37.87	-10.87	-22.30
BELGIUM	16.81	13.33	-3.48	-20.70
EGYPT	2.11	3.79	1.68	79.62
SRI LANKA	4.20	3.44	-0.76	-18.10
TURKEY	3.68	2.64	-1.04	-28.26
BRAZIL	1.93	2.61	0.68	35.23
PAKISTAN	9.42	1.57	-7.85	-83.33

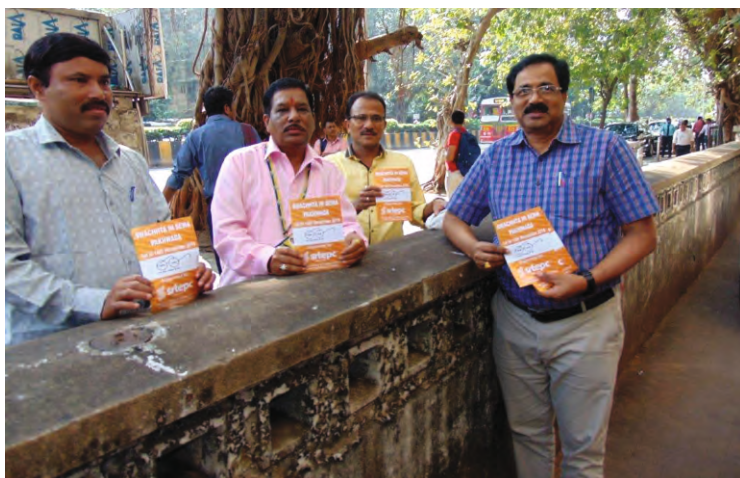
**MAJOR MARKETS FOR MMF FIBRE**

Value in US\$ Million

Markets	Apr - Sept 2018-19	Apr - Sept 2019-20	Net Change	% Change
USA	42.17	22.60	-19.57	-46.41
TURKEY	19.18	16.39	-2.79	-14.55
BELGIUM	12.89	10.94	-1.95	-15.13
GERMANY	8.07	8.46	0.39	4.83
EGYPT	4.66	6.46	1.80	38.63
BRAZIL	9.42	5.31	-4.11	-43.63
ITALY	7.17	4.20	-2.97	-41.42
PAKISTAN	3.07	2.78	-0.29	-9.45
UAE	1.09	0.99	-0.10	-9.17
SRI LANKA	0.11	0.00	-0.11	-100.00



## COUNCIL OBSERVES SWACHHTA PAKHWADA



The Council observed the Swachhta Pakhwada from 1<sup>st</sup> to 15<sup>th</sup> November 2019 under aegis of the Ministry of Commerce & Industry, Govt. of India. The cleanliness drive, a dream project of the Hon'ble Prime Minister of India, Shri Narendra Modiji, is being observed every year during 1-15 November. This year the emphasis was on water management and sanitation and accordingly the plan of action as directed by the Ministry was carried out by the Council in its Head Office and Regional Offices.. A standee on water conservation was put up at the Head Office as well as Regional Offices in Surat, New Delhi and Coimbatore.

A Circular by the Chairman was issued to its member-companies inviting them to share the practices they have adopted to conserve water, manage and sustain the environment around their work place. This was followed by a reminder from the desk of the Executive Director. Best practice of creating a sustainable and green environment of one of our member exporters M/s Pal Fashions Pvt. Ltd. was shared with the Council members.

From a global perspective, the Council also shared the best practice in terms of sustainable and environment friendly manufacturing process as set by M/s Tesco, one of the world's largest affordable retail brands for the benefit of our member exporters.

A cleanliness drive was also held at the premises of the Council on 14<sup>th</sup> November 2019 wherein the Executive Director, officers and staff of the Council took part in it. The Executive Director and officers of the Council also distributed leaflets on the importance of cleanliness, conservation of water and planting of trees which help to maintain the ecological balance of the environment. Other related activities were also carried out.







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*For more information contact your nearest ECGC office.*



**ई सी जी सी लि.**

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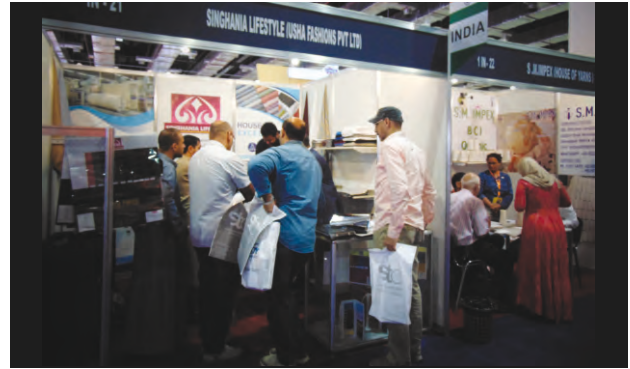
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# VIEW OF THE BOOTHS AT CAIRO FASHION & TEX, EGYPT





## SRTEPC'S Services to Indian Exporters



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

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