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The Synthetic & Rayon Textiles
Export Promotion Council

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SRTEPC sets New Standards on Global RBSMs in Source India 2018

An effort of 4 months culminated in “SOURCE INDIA 2018” being organized under the aegis of the Ministry of Commerce & Industry and Ministry of Textiles, Govt. of India from 21st to 23rd September 2018 at the Surat International Convention and Exhibition Centre. By targeting the ‘Focus’ Regions in LAC, Africa, Middle East and South East Asia, the Council interacted with more than 92 Trade Associations from nearly 50 countries. The office bearers of the Council, i.e Chairman, Shri Sri Narain Aggarwal, Vice Chairman, Shri Ronak Rughani and Convener, Shri Anil Rajvanshi visited Turkey, Moldova, Egypt, Morocco, Mexico, Brazil, Peru, Colombia, Vietnam, Myanmar, Thailand and UAE to promote “SOURCE INDIA 2018” among the leading importers of Man-made Fibre Textile products in these countries. Road Shows were organized by the Council in these leading countries importing MMFT products in



Shri Sri Narain Aggarwal, Chairman, SRTEPC welcoming the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani with a bouquet of flowers.



Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles inaugurating the SOURCE INDIA 2018. Also seen in picture from l to r Smt. Smt. Darshana V. Jardosh, Member of Parliament, Surat; Shri Dhiraj Shah, Surat Regional Committee Chairman; Shri Sri Narain Aggarwal, Chairman, SRTEPC; Shri Anil Rajvanshi, immediate past Chairman & Convenor of SOURCE INDIA 2018, SRTEPC and Shri Rakesh Mehra, former Chairman, SRTEPC.

association with the Indian Embassies and leading local Textile Trade Bodies.

If “SOURCE INDIA 2016” set the standards on how Global Reverse Buyer Seller Meets are organized, then “SOURCE INDIA 2018” has taken it to the next level by setting a benchmark on how to organize definitive, engaging and productive interaction between Buyers and Sellers during an event.

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SRTEPC HOLDS ITS 64TH ANNUAL GENERAL MEETING IN MUMBAI

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) held its Annual General Meeting on Friday 28th September 2018 in Mumbai.

Shri Sri Narain Aggarwal, Chairman; Shri Ronak Rughani, Vice Chairman; Shri Anil Rajvanshi; Shri Rakesh Mehra and Shri Ganesh Kumar Gupta, past Chairmen and other members of the Committee of Administration and member exporters were present on the occasion.



On the dais at the 64th Annual General Meeting from l to r Shri S. Balaraju, Executive Director, SRTEPC; Shri Sri Narain Aggarwal, Chairman, SRTEPC and Shri Ronak Rughani, Vice Chairman, SRTEPC.

Global Economic Scenario

Shri Aggarwal, Chairman, SRTEPC said that the world trade of textile & clothing has been growing at a CAGR of >3% and reached US\$ 761 bn in 2016; the major growth was from clothing sector. He observed that China remains the largest textile exporter in the world followed by USA and India rapidly emerging while EU is the major importers of textile.



Shri Sri Narain Aggarwal, Chairman, SRTEPC addressing the 64th Annual General Meeting of the Council on 28th September 2018 in Mumbai.

He stated that in 2017 the total global fibre production was estimated at 101.4 million tons in which China's production is 69 million tons and India's production is 11 million tons. Other countries including EU, NAFTA, Australia, etc. produces remaining quantity, he added.

He mentioned that global synthetic fibre/ filament production was estimated at 71 million tons in which China's production is 44 million tons and India's production is around 4 million tons. He claimed that polyester fiber is the single-largest-volume fiber used globally, accounting for about 50% of the overall man-made and natural fiber market.

He opined that according to the Textiles Intelligence Report on Forecasts of regional and global end use, demand for man-made fibres is expected to increase by 3.4% in 2017 whereas end use demand for cotton is expected to increase by only 0.5%. As a result of these trends, the share of man-made fibres in global end use demand will grow from 72.5% to 73.0% but the share of cotton will fall to 25.7% of which most of the overall growth will take place in developing countries, and most of this growth will be in Asia.

He remarked that the Indian textile industry, 2nd largest after China, is projected to increase to US\$ 226 bn by 2023 at CAGR of 7.40%. Currently, Natural and Manmade fibre consumption ratio globally is 70: 30 (70% Man-made fibre and 30% Natural/Cotton fibre) whereas in India it is 60: 40 (60% Natural fibre/ Cotton fibre and 40% Man-made fibre).



Shri Ronak Rughani, Vice Chairman, SRTEPC proposing the Vote of Thanks at the 64th Annual General Meeting of the Council in Mumbai.

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Dear Member,

I am glad to inform you that the Second Edition of “SOURCE INDIA” in Surat concluded successfully. I would like to take this opportunity to thank all those who have been involved in the Event, for their unstinted support in making it a grand success. The Mega Event was inaugurated by Smt. Smriti Zubin Irani, Hon'ble Union Minister for Textiles on 21st September 2018 amidst many dignitaries from the Government, reputed 150 International Buyers from 35 countries, 100 Exhibitors, Indian Buying Houses & Sourcing Agents and Media.

One of the outstanding features of “SOURCE INDIA” this year was the B2B Meetings that gave opportunity to the Exhibitors and the Buyers to interact and discuss business interests with each other. The B2B Meetings proved to be extremely fruitful experience for all the Exhibitors as well as the Buyers, as the upfront feedback received showed about US\$ 115 million of estimated business.

In order to keep focusing on the intellectual thought process and new ideas in the evolving MMF textile segment, two Seminars were organised during the Event. The first Seminar was on the Textile Business in Turkey wherein background, Current Situation and Future Prospects including the strategies to counter the Trade Measures, deliberated by senior expert from Republic of Turkey. The second Seminar dealt with two issues viz., Global Future of Man-made Fibre Textile Products and Emerging Opportunities in Global Man-made Fibre Textile Industry – India's growing potential. The Seminars organised on the occasion touched upon subjects which were insightful and as per the contemporary fashion trends. The ‘Folk Dance’ organized for the foreign buyers depicted the Indian customs and culture and was a huge hit among the buyers. Theme Pavilion set up at the Event showcased the trends and future fashion forecasts to the visitors. The entire three-day Event gave the much needed exposure to the MMF textile industry and helped in projecting India as a reliable supplier of quality products.

It was a privilege for me to address the 64th Annual General Meeting of the Council on 28th September 2018 in Mumbai. I thank all the members of the Council for their whole-hearted support and co-operation. I am also grateful to all those who attended the AGM despite their busy schedule. I look forward to your active participation and continued involvement in all the endeavours of this Council. I am sure that with our collective efforts MMF textile exports will reach greater heights.

Meanwhile while the country is still reeling under falling rupee rate, there is reason to cheer as the Index of Industrial Production for the month of August 2018 for the Textiles Sector showed a growth of 7.8 % as compared to August 2017, which indeed is encouraging for all of us. Further, as per the data released by the Ministry of Commerce and Industry; exports of MMF textiles during April – August 2018 were US\$ 2586.44 million against US\$ 2487.47 million that was achieved during the corresponding period of the previous year, registering a growth of around 4%. Yarn segment has showed substantial 21% growth during the period.



MESSAGE FROM THE CHAIRMAN

I would like to inform you that I along with Vice-Chairman and Executive Director met with the Hon'ble Union Minister for Commerce & Industry, Shri Suresh Prabhu recently to apprise him on the GST issues being faced by the MMF Textile Segment and Export Promotion incentives. With the Hon'ble Union Minister we discussed pending issues on GST such as delay of GST refund, denial of ITC refund on input services, not considering MMF textile products falling under equal or lower rate of GST while calculating ITC refunds, etc. I insisted for exclusion of import of capital goods from the ambit of GST, as it is adversely affecting investment in the textile sector and defeating the purpose of "Make in India" initiative of the Government. With due consideration to this matter, the Hon'ble Union Minister called Shri Amitabh Dwivedi, Deputy Secretary, Department of Commerce and directed him to follow up the matter with DIPP for appropriate actions.

The Vice Chairman, Shri Ronak Rughani pressed on the important issue of ITC Lapse mentioned by the Government through Notification No.20/2018-CTR dtd. 26-07-2018. He brought the issue to the notice of the Union Minister and informed the later that the issue of lapse of unutilised credit as contained in notification no.20/2018 will be a huge setback for textile exporters as this provision is against the basic settled principle that the right validly earned cannot be extinguished. He informed that the lapsed amount is leading huge losses in the books of accounts as the same has now become cost of business for the exporters. The Minister was gracious and expressed his positive consideration on the issue.

We have also requested the Union Minister to extend RoSL benefits to yarns and fabrics. On the RoSL issue we informed the Minister that substantial amount of State taxes & duties still exists which are neither subsumed with GST not rebated. These State taxes & duties such as Stamp duty, Electricity Duty, Tax on fuel, wheeling charges, fixed charges, Cross subsidy on electricity bills, transmission charges, Water Cess, Green tax, local body taxes, road taxes, labour cess, etc. have been embedded especially on yarns and fabrics exports which is around 6% of FOB value of exports. We requested that the RoSL Scheme needs to be extended to yarns and fabrics segment also and 6% RoSL rate to be considered for rebate on yarns and fabrics exports. The Hon'ble Union Minister was conscientious and assured his support to the MMF textile industry in solving their problems.

Yours sincerely

SRI NARAIN AGGARWAL

CHAIRMAN

The Synthetic & Rayon Textiles Export Promotion Council

MYANMAR

Textile industry affected by US dollar appreciation

Myanmar's textile industry is incurring losses due to greenback appreciation, according to the Myanmar Textile Entrepreneurs Association. The value of US dollar rose from Ks1,500 in early September to Ks1,650 on September 20. Some textile units have suspended sales and will resume after the situation returns to normal.

Source : Fibre2fashion

PAKISTAN

Textile and clothing exports up 7,33% in August

Pakistan's textile and clothing products exports revived in August from a year ago, according to the data released by the Pakistan Bureau of Statistics (PBS).

Total exports proceeds from the textile and clothing sector jumped 7.33 per cent to US\$1.25 billion in August from US\$1.17bn in the same month last year.

The country's total exports posted a growth of 3.72% to US\$2.26bn during the first two months (July-August) of 2018-19 from US\$2.17bn over the corresponding months last year.

The revival in exports was partially attributable to cash subsidy offered under prime minister's exports enhancement package. Furthermore, in the mini-budget, government has reduced duties on raw materials to boost exports.

Data for the value-added textile sector showed a positive growth as exports of ready-made garments went up 8.85% in value and increased by 26.52% in quantity.

On the other hand, exports of knitwear edged up 14.04% in value and 29.4% in quantity during August. Moreover, bed wear exports went up 7.74% in value.

Towel exports posted a 12.14% growth in August while that of cotton cloth increased by 7.14% in value during the period under review.

Among primary commodities, cotton yarn exports witnessed a 5.34% increase while export of yarn other than cotton recorded a 16.93% decline.

Exports of made-up articles, excluding towels, went up by 8.36%, those of art, silk and synthetic textile exports up by 5.31% and

tents, canvas and tarpaulin went up by 3.71% while proceeds from raw cotton dipped by 68.98% during the period under review.

The total export proceeds registered a growth of 5.05% to \$3.66bn in July-Aug from US\$3.48bn over the corresponding period of last year of which non-textile exports were up by 6.8% to US\$1.4bn.

PBS data showed a mammoth rise of 143% in exports of petroleum products, which along with petroleum crude and naphtha, led the increase in overall sector sales.

However, carpets and rugs exports during July-Aug declined by 4.25% against same period last year. Foreign sales of sports goods went down by 9.97%, with football exports dropping by 1.23% as well. Tanned leather exports also shrank by 21.42% in the period first two months of current fiscal year.

Leather products' exports decreased by 3.37% and footwear exports rose by 10.9% in July-Aug 2018 from a year ago.

According to PBS data, exports of surgical goods and medical instruments also declined by 4.71%, with exports in engineering goods sector decreasing by 26.51% during the first two months.

Source : The Dawn

INDONESIA

Export target of US\$14 billion by 2018 achievable

With a January-July 2018 exports figure of US\$7.74 billion, the Indonesian textile and apparel industry is hopeful of meeting an export target of US\$14 billion by the end of this year. It is believed that the completion of the Indonesia-Australia comprehensive economic cooperation agreement (IA-CEPA) will help boost exports.

It is also reported that the import duty on Indonesian textile and clothing products to Australia would be abolished after an agreement is signed later this year.

Both sides announced the substantive conclusion of negotiations on IA-CEPA on 31 August this year.

Indonesia is also trying to finalise a free trade agreement (FTA) with the European Union and the United States, Indonesian media reports quoted the minister as saying.

The export value of the country's textile industry was US\$12.58 billion in 2017, up 6 per cent over the previous year.

Source : Fibre2fashion

EGYPT

Exports of RMG up during the first seven months of 2018

Egypt witnessed a 10 per cent rise in exports of readymade garments (RMG) during the first seven months of 2018 to touch US\$907 million compared with US\$824 million in the same period last year. The Readymade Garments Export Council of Egypt is optimistic about scaling up exports by 15 per cent to around US\$1.7 billion by the year end.

Turkey was Egypt's top RMG importer with a value of US\$84 million, followed by Spain with US\$79 million.

Britain comes third with \$59 million, followed by Italy and France at fourth and fifth with US\$46 million and US\$29 million respectively.

Region wise, the United States was a leading market for readymade garment exports from Egypt with US\$480 million, up 14 per cent from last year, followed by European markets with exports registering US\$306 million, a 15 per cent rise from the first seven months of 2017.

Source : Fibre2fashion

CHINA

Import tariffs on textiles to be reduced

China's finance ministry has announced that it will reduce import tariffs on a variety of products, including textiles.

The tariff rate for textiles will fall to 8.4 percent from 11.5 percent, effective Nov. 1. The Finance Ministry believes that reducing tariffs is conducive to promoting the balanced development of foreign trade and promoting a higher level of opening up to the outside world.

The reductions come as the US President deploys increasingly aggressive tariffs against Chinese goods, and after the recent implementation by the US of a 10 percent tariff on US \$200 billion of Chinese goods, following a similar action against \$50 billion of goods in August.

The new tariff against Chinese imports was expected to rise from 10 percent to 25 percent at the end of the year.

In March, the US President began a global campaign to reform U.S. trade relations, introducing a 25 percent tariff on steel and 10 percent on aluminum, only briefly exempting Mexico, Canada, and the European Union.

The US President argues that the U.S. has too great of a trade imbalance with China and other countries, and that unfair policies

have hurt the U.S. economy. It is also believed that American consumers will end up paying more when the cost of tariffs is passed on to them.

It's not the first time China has reduced trade barriers amid the US President's criticism. In July, China lowered tariffs on consumer goods including clothing and home appliances.

Source : Washington Examiner

TAJIKISTAN

Textile and clothing production up by about 30% in the first eight months of 2018

Textile and clothing production in Tajikistan for the eight months of this year increased by almost 30 percent.

Tajikistan Ministry of Energy and Industry of the country states that the amount of production of textile and clothing products during this period made more than 844.5 million somoni (more than US\$ 89.6 million).

In the textile and clothing industry, the industrial production index increased by 29.1 percent due to an increase in the output of cotton fiber, fabric, carpets and carpet products, and hosiery.

As statistics agency of the country reports, for the specified period, the textile exports amounted to more than \$ 149.6 million, which is \$ 71.6 million, or 92 percent more than the same period last year. Of the total exports, over \$ 106.9 million is accounted for exports of cotton fiber.

In the middle of the last century, a complete production cycle was organized, including the production of raw materials, spinning, fabric manufacturing, and the manufacture of garments and carpets.

The main products are fabrics and garments made from them, denim pants, shorts, textiles, carpet and leather products. The country has a full value chain, starting with the production of raw materials to the production of finished products. The sector has modern enterprises for sewing clothes, shoes. The government considers this sector a priority industry. It is planned to increase the export potential on the basis of the modernization of production, stimulating the creation of new enterprises.

Tajikistan is also successfully implementing the International Trade Center (ITC) program, aimed at supporting the development of the textile and clothing industry and improving the quality management infrastructure.

Source : www.azernews.az

Commerce Ministry to focus on nine sectors including textiles to boost exports

The Commerce Ministry is focusing on nine sectors, including among others textiles, to boost exports in the current fiscal. The Ministry is targeting a minimum growth rate of 16 per cent in exports this fiscal.

To push exports, the ministry has suggested several steps including demanding priority sector lending to exporters.

Since 2011-12, India's exports have been hovering at around USD 300 billion. During 2017-18, the shipments grew by about 10 per cent to USD 303 billion.

Source : The Economic Times

Value limit for exports through post removed

The Commerce Ministry has removed the value limit for exports through post but has fixed Rs 5 lakh cap in case of overseas shipments through courier services.

In a separate notification, the DGFT has said that imports under three duty exemption schemes — advance authorisation, EPCG (export promotion capital goods), and EOU (export oriented units) — would be exempted from integrated goods and services tax (IGST) and compensation cess till March 31, 2019.

Advance authorisation, a duty exemption scheme, is issued to manufacturing exporters for duty-free import of input, which is physically incorporated in export product. Similarly, EPCG scheme allows import of capital goods for pre-production, production and post-production at zero customs duty for export purposes. Units undertaking to export their entire production of goods and services may be set up under the EOU scheme.

Objectives of these schemes are to promote exports, enhance foreign exchange earnings, attract investment for export production and employment generation. Since 2011-12, India's exports have been hovering at around USD 300 billion. During 2017-18, the shipments grew by about 10 per cent to USD 303 billion. Promoting exports helps a country to create jobs, boost manufacturing and earn more foreign exchange.

Source : The Financial Express

High level advisory group constituted to recommend ways to boost trade

The Commerce Ministry has constituted a 12-member high-level advisory group which would suggest ways to promote the country's trade.

It would look at areas including exchange rate management, impact of trade wars and strategy to manage consequences of unprecedented de-stabilising conflict oriented trade dynamics.

The panel would also examine prevailing trade dynamics, and suggest framework for India to engage in future international trade.

The panel would be headed by Prime Minister's Economic Advisory Council (PMEAC) part-time member Shri Surjit Bhalla.

The other members include Principal Economic Adviser Shri Sanjeev Sanyal, former Commerce Secretary Shri Rajiv Kher and Quality Council of India Chairman Shri Adil Zainulbhai.

In April 2015, the government released the foreign trade policy for 2015-20, which has provided a framework for increasing exports of goods and services.

The five-year policy provides guidelines for enhancing exports with the overall objective of pushing economic growth and generating employment.

In 2020, the Commerce Ministry will release the new policy for the next five years.

Under the policy, the government announces steps for exporters. Currently, the government has two schemes --merchandise and services export from India scheme.

However, the US has filed a dispute against India in the World Trade Organisation (WTO) stating that such schemes harm American companies by creating an uneven playing field.

Developed countries have maintained at different forums that as India has crossed the USD 1,000 threshold of per capita gross national income (GNI) for three consecutive years, it is no longer eligible to give export subsidies.

Since 2011-12, India's exports have been hovering at around USD 300 billion. During 2017-18, the shipments grew by about 10 per cent to USD 303 billion.

Promoting exports helps a country to create jobs, boost manufacturing and earn more foreign exchange

Source : The Economic Times

MSME web portal launched

The Union Minister of Finance and Corporate Affairs, Shri Arun Jaitley, has launched a transformative initiative in the MSME credit space. The web portal www.psbloansin59minutes.com will enable in-principle approval for MSME loans up to Rs 1 crore within 59 minutes from SIDBI and 5 Public Sector Banks (PSBs). It is a strategic initiative of the SIDBI-led PSB consortium incubated under the aegis of Department of Financial Services (DFS), Ministry of Finance. The portal sets a new benchmark in loan processing and reduces the turnaround time from 20-25 days to 59 minutes. Subsequent to this in-principle approval, the loan will be disbursed in 7-8 working days.

Source : www.eximin.net

Rising imports affecting the MSMEs

A recent report of the Parliamentary Standing Committee on Commerce has said that rising imports from China have taken a heavy toll on the employment-generation potential of the manufacturing sector, especially among the micro, small and medium enterprises (MSMEs).

The major impact of Chinese imports has been felt by labour-intensive sectors like textile, steel and power. The committee observed that imposition of anti-dumping duties against Chinese products have largely failed as these are relatively few compared to the amount of Chinese dumping that takes place

Source : www.eximin.net

Fall in Index of Real Effective Exchange Rate raises hopes for exports

The index of Real Effective Exchange Rate (REER) hit a more than two-and-a-half year low of 111.40 in September. The decline raises further hopes for export.

However, the decline during the first nine months has not been very sharp which shows that the rupee might have lost over 13 per cent against dollar, but is mostly stable or in some cases has appreciated against other major currencies such as euro, British pound or Japanese yen. The index is a basket of six and 36 currencies.

For in-depth analysis, 36 currency basket has been taken with a base year of 2004-05. Euro has the highest trade weights of 12.69 followed by UAE dirham, Chinese yuan and US dollar at 11.44, 10.84 and 8.8, respectively.

The index is based on Consumer Price Index (CPI) and reflects the external competitiveness of a country. Conceptually, the REER, defined as a weighted average of nominal exchange rates adjusted for relative price differential between the domestic and foreign countries, relates to the purchasing power parity (PPP) hypothesis.

The RBI publishes this index in its monthly bulletin. Index of REER without inflation becomes Index of Nominal Effective Exchange Rate (NEER).

According to the International Monetary Fund (IMF), REER is the nominal effective exchange rate (a measure of the value of a currency against a weighted average of several foreign currencies) divided by a price deflator or index of costs.

An increase in REER implies that exports become more expensive and imports become cheaper; therefore, an increase indicates a loss in trade competitiveness.

The Government has always maintained that though rupee shed a lot against US dollar, there is a need to show how it has performed against other major currencies. The data shows that the situation is not bad in this regard.

This means there are no fundamental problems with the rupee. There are factors such as US Federal Reserve raising rate or trade war between US and China affecting the Indian currency most.

However, there is fear that if China devalues its currency more to challenge US' s move in tariff war, it may have some impact on the Indian goods being exported. This is because Chinese goods will become much cheaper in the global market.

Source : Business Line

India-US trade up 119% since 2007

Bilateral trade of goods and services between India and the US has gone up by 119 per cent since 2007, touching \$126.2 billion.

It is learnt that exports were valued at \$49.4 billion and imports were worth \$76.7 billion. The US goods and services trade deficit with India was \$27.3 billion in 2017.

India is the ninth largest goods trading partner of US with \$74.3 billion in total (two-way) goods trade during 2017. Goods exports totaled \$25.7 billion and goods imports totaled at \$48.6 billion. The US goods trade deficit with India was \$22.9 billion in 2017.

While India was the United States' 15th largest goods export market in 2017, the latter exported \$25.7 billion of goods to India, up by 18.7 per cent (\$4.1 billion) from 2016 and up 71.6 per cent from 2007.

In the imports bracket, India was the United States' 11th largest supplier of goods in 2017.

Source : Business Standard

Anti-dumping duty imposed on import of nylon filament yarn from EU and Vietnam

India has imposed an anti-dumping duty of up to US\$719 per tonne for five years on import of nylon filament yarn from the European Union (EU) and Vietnam following recommendations by the commerce ministry's investigation arm DGTR.

In its notification the Department of Revenue has said "The anti-dumping duty imposed...shall be effective for a period of five years (unless revoked, superseded or amended earlier) from the 6th day of October, 2018 and shall be paid in Indian currency," the Department of Revenue has said in a notification.

The Directorate General of Trade Remedies (DGTR) in its probe has stated that nylon filament yarn (multi filament) has been exported to India from these two regions below normal values and the domestic industry has suffered material injury on account of such dumped imports.

Imposition of duty aims at guarding domestic manufacturers of this

yarn from cheap imports coming from EU and Vietnam. The anti-dumping duty imposed ranged between USD 719.44 per tonne and USD 128.06 per tonne.

Import of this yarn from the EU and Vietnam has increased to 13,799 tonnes during October 2015 March 2017 (which was the period of investigation) from 7,201 tonnes in 2013-14.

The major uses of this yarn are in home furnishing and industrial application such as curtains, sewing and embroidery thread and fishnets.

To recommend duties, the DGTR in its probe would have to establish that dumping has caused material injury to domestic players. Anti-dumping duties are levied to provide a level-playing field to the local industry by guarding against below-cost import. Imposition of anti-dumping duty is permissible under the World Trade Organization (WTO) regime. Both India and China are members of the Geneva-based body.

The duty is aimed at ensuring fair trading practices and creating a level-playing field for domestic producers vis-a-vis foreign producers and exporters. They are not a measure to restrict import or cause an unjustified increase in cost of the products.

Source : The Business Line

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VIETNAM - A HIGHLY PROMISING MARKET FOR EXPORTS OF INDIAN TEXTILES AND CLOTHING PRODUCTS

Vietnam is one of the leading garment manufacturing countries in the World. Garment and textiles is a key economic sector in terms of employment creation and contribution to the country's exports. It is a leading converter for readymade garment for which most of the yarns and fabrics it imports. The domestic garment and textile sector creates 20% of jobs in Vietnamese industry. This sector has the second highest export turnover and occupies the fifth position in the world. Last year, goods worth more than US\$31 billion were exported, representing 10.23% year-on-year increase. In addition to maintaining traditional markets, such as the US, Europe, Japan and South Korea, Vietnamese garment and textile firms have been expanding to new areas such as China, Russia and Cambodia.

Expanding Textile Industry

Vietnam has emerged as one of the highly potential and fast growing textile & clothing markets in the world with an import value of US\$24.34 billion for different materials of Textiles & Clothing (T&C) from various global destinations during the year 2017. India's share of Vietnam's global import of textiles is around just 2%, which amounts to around US\$ 510 million.

The Vietnamese textile industry is expected to grow at a CAGR of 10.82%, in terms of revenue, during the forecast period, 2018-2023. The major factors driving the growth of the market are growing textile exports to EU, the United States, Japan, and South Korea and low labor costs in the industry.

As Vietnam has moved from complete state control to a much freer economy, thereby allowing individual entrepreneurs and small companies to thrive, the past two decades have been momentous for the Vietnamese textile industry. The fruits of a strategic economic liberalization and international integration have been felt in the progress of each vital sector of the economy, including the textiles industry. Textile products made in Vietnam have penetrated the world market, and the industry has begun contributing to the economic development of the country in a big way. Vietnam's growing trade surplus in textiles and clothing is bringing increasing prosperity to the country. Internally, the industry has benefited from low labour costs and the global integration of the Vietnamese economy with other countries of the world, including tie-ups with several organizations and trading blocs.

The stable Government in Vietnam and its liberalized policies have encouraged domestic and overseas investments. Systematic and timely investments in the textile sector have helped the country modernize the sector and improve competitiveness for its products. Consequently, the Vietnamese textile industry has made significant

achievements and, currently, the industry has nearly 2000 companies, which employ more than 2 million workers.

Most of the garment companies (around 70%) are located in the south of Vietnam, near the harbor and airport of Ho Chi Minh City and the focus of the companies is mainly on massive quantities of low to mid-level quality. The companies get a lot of orders of low-end fabrics, which has the interest of huge corporations mostly from the US due to their low prices. Although the machinery in Vietnamese factories is new and advanced, the market as well as orders for fashionable products is very small. Therefore, often Vietnamese garment producers do not accept orders for fashionable products which are low/small.

Vietnamese Textile Industry crouching to leap

Vietnam is among the top textile producing nations in the world. The country is also the third-largest garment exporter, with major exporting destinations including the United States, the EU, Japan, and South Korea. The country is also an apparel exporter with 17% of its apparel production being exported in 2017. The top export destinations for apparel are China and Bangladesh. Despite abandoning the Trans-Pacific Partnership (TPP), the textile and garment industry exceeded the annual target of US\$30 billion in 2017, according to the Vietnam Textile & Apparel Association. The United States is the largest export destination followed by Europe. Exports to South Korea rose to US\$2.7 billion in 2017 while exports to China reached US\$3.2 billion in 2017, the same as the export value to Japan. The country's exports have increased over the years to all the major nations across the globe.

The country has set an annual export target of US\$35 billion for 2018. In the first-quarter of 2018, the garment export turnover of the country reached nearly US\$8 billion. The continuous increase in exports from the country is likely to drive the overall textile market. The garments segment accounted for a little over 50% in terms of revenue, in the Vietnam textile market. Garment manufacturing accounts for around 70% of the total apparel and textile sector in Vietnam with CMT (Cut, Make, Trim) being the main method, which accounts for about 85% of the total export revenue.

The United States, Europe, Japan, and South Korea are the main importers of the country's textile and garments products. Historically, the United States was the largest importer of Vietnamese textiles and garments, followed by Europe, which has led to a rapid development of the Vietnamese textile and garment industry. Revenue generated from garment and textile exports in Vietnam has increased 3.6 times over the last decade,

from US\$7.78 billion, in 2007, to US\$28.32 billion, in 2016, accounting for over 16% of the total export turnover. In 2017, the country's textile and garment industry exceeded its target of US\$30 billion with an export turnover of over US\$31 billion, an increase of 10.23% over 2018.

Outsourcing has become a key factor to increase profitability without compromising on the quality of production. Textile sector has expanded globally and establishing manufacturing firms in developing countries has helped in the growth of business. The crucial factors that the manufacturing units consider prior to opening a branch in other country include geographical convenience, political stability, cost of labour, technological advancement and trade policies. Considering these dynamics, countries like the U.S.A. and United Kingdom are increasingly showing an inclination towards exploring textile prospects in Vietnam. The steady growth of the country's textile sector has significantly strengthened the local economy. Vietnamese textile products are exported to more than fifty countries, with the U.S.A. being the leading importer of Vietnamese textile products. With rising cost of labour in China, lack of technical advancement in Bangladesh and Myanmar, Vietnam appears to be an intelligent choice of importers and even the recent upheaval in Vietnam is unlikely to affect these chances.

The projected targets of the Vietnam's textile sector clearly indicate an ambitious target plan of the government, for which an estimated investment capital of approximately \$25 billion in 2020 has been proposed. The government has also started working on improving the infrastructure that encompasses smooth traffic systems, power

and water supply, upgraded drainage and waste-water treatment centres.

Market Potential

- Vietnam has emerged as one of the leading importing countries of textiles and clothing (T&C).
- Imports of Textile & Clothing by Vietnam from the world were US\$ 24.34 billion during 2017.
- India's share in total imports of Textile & Clothing by Vietnam is 2.10%, worth US\$510.44 million in 2017.
- Textile imports by Vietnam from the world account for nearly 84% (US\$ 20.47 billion) of its total T&C imports.
- Clothing imports by Vietnam from the world account for nearly 14.22% (US\$ 3461.87 million) of its total T&C imports.
- Vietnam's imports of Made-ups from the world reached over US\$404 million with a share of nearly 2%.
- Vietnam's total imports of MMF textiles from the world during 2017 stood at US\$14.66 billion, of which India's share was only US\$98.44 Million (0.67%).
- Main countries, which exported MMF textiles to Vietnam were, China, Taipei Chinese, Korea Rep., Japan, Thailand, etc.
- There is tremendous scope to increase India's MMF textile exports to Vietnam and increase its market share.

Vietnam's Imports of Textiles & Clothing from world during 2017

Value in US\$ Mn

Chapter	Product Description	Vietnam's imports from world	Vietnam's imports from India	% India's Share
50	Silk	109.43	2.47	2.26
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	284.57	6.14	2.16
52	Cotton	4377.10	391.89	8.95
53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	109.20	0.60	0.55
54	Man-made filaments; strip and the like of man-made textile materials	3329.15	44.46	1.34
55	Man-made staple fibres	2922.02	47.02	1.61
56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	772.90	2.35	0.30
57	Carpets and other textile floor coverings	96.08	0.81	0.84
58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	934.24	6.13	0.66
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable . . .	1518.31	2.52	0.17

Chapter	Product Description	Vietnam's imports from world	Vietnam's imports from India	% India's Share
60	Knitted or crocheted fabrics	6023.44	1.28	0.02
61	Articles of apparel and clothing accessories, knitted or crocheted	1279.44	0.23	0.02
62	Articles of apparel and clothing accessories, not knitted or crocheted	2182.43	1.09	0.05
63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	404.01	3.46	0.86
	Total	24342.30	510.44	2.10

Share of Textile & Clothing Imports of Vietnam from World in 2017

Imports from World	Value in US\$ Bn	% Share in Total T&C Imports from World
Textile	20.88	8.58%
Clothing	3.46	1.42%
Total T&C Imports	24.34	

The textile figures of 2017 are fairly encouraging as well for Vietnam. The country has reported an increase of 18% in export revenues concerning garment and textile industries that demonstrate an earning of US\$20.4 billion. The export revenue target for current year has been set at US\$ 25 billion. Earlier this year, a survey by the Hong Kong and Shanghai Banking Corporation (HSBC) revealed that the demand from the U.S. and EU, which is 18% and 14% of country's exports respectively, would show a possible growth of 20% this year.

Fuelled by rapid growth and increased FDI, 2017 emerged as one of the strongest years for Vietnam. With the GDP growing at 6.81 percent, record high FDI, and trade figures reaching an all-time high of US\$400 billion, Vietnam will continue to remain a priority for investors in 2018. Opportunities not only exist in the traditional sectors such as garments, footwear, and electronics but also in renewable energy projects, high-tech agriculture, and other high-tech industries.

Imports of Manmade Filaments by Vietnam covered under Chapter 54

Chapter	Product Description	In US\$ Mn
540752	Woven fabrics of yarn containing \geq 85% by weight of textured polyester filaments, incl. monofilament . . .	560.71
540761	Woven fabrics of yarn containing \geq 85% by weight of non-textured polyester filaments, incl. . . .	544.25
540742	Woven fabrics of filament yarn containing \geq 85% nylon or other polyamides by weight, incl. . . .	298.03
540233	Textured filament yarn of polyester (excluding that put up for retail sale)	247.05
540754	Woven fabrics of yarn containing \geq 85% by weight of textured polyester filaments, incl. monofilament . . .	166.78
540247	Filament yarn of polyester, incl. monofilament of $<$ 67 decitex, single, untwisted or with a . . .	155.64
540792	Woven fabrics of yarn containing predominantly, but $<$ 85% synthetic filament by weight, incl. . . .	149.33
540741	Woven fabrics of yarn containing \geq 85% by weight of filaments of nylon or other polyamides, . . .	130.32
540769	Woven fabrics of yarn containing \geq 85% by weight of mixtures of textured and non-textured . . .	122.21
540219	High-tenacity filament yarn of nylon or other polyamides (excluding sewing thread, yarn put . . .	95.85
540772	Woven fabrics of yarn containing \geq 85% synthetic filament by weight, incl. monofilament of . . .	91.25
540710	Woven fabrics of high-tenacity yarn, nylon, other polyamides or polyesters, incl. monofilament . . .	88.98
540110	Sewing thread of synthetic filaments, whether or not put up for retail sale	64.26
540782	Woven fabrics of yarn containing predominantly, but $<$ 85% synthetic filament by weight, incl. . . .	63.34
540245	Filament yarn of nylon or other polyamides, incl. monofilament of $<$ 67 decitex, single, untwisted . . .	50.78
540244	Synthetic filament elastomeric yarn, single, untwisted or with a twist of \leq 50 turns per metre . . .	47.17

Chapter	Product Description	In US\$ Mn
540751	Woven fabrics of yarn containing $\geq 85\%$ by weight of textured polyester filaments, incl. monofilament . . .	35.04
540753	Woven fabrics of yarn containing $\geq 85\%$ by weight of textured polyester filaments, incl. monofilament . . .	31.44
540231	Textured filament yarn of nylon or other polyamides, with a linear density of ≤ 50 tex per . . .	30.02
540419	Synthetic monofilament of ≥ 67 decitex and with a cross sectional dimension of ≤ 1 mm (excluding . . .	28.27
540246	Filament yarn of polyester, incl. monofilament of < 67 decitex, single, untwisted or with a . . .	27.58
540261	Multiple “folded” or cabled filament yarn of nylon or other polyamides, incl. monofilament . . .	25.67
540220	High-tenacity filament yarn of polyesters (excluding that put up for retail sale)	22.48
540262	Multiple “folded” or cabled filament yarn of polyester, incl. monofilament of < 67 decitex . . .	20.41
540832	Woven fabrics of yarn containing predominantly, but $< 85\%$ artificial filament by weight, incl. . . .	19.49
540794	Woven fabrics of yarn containing predominantly, but $< 85\%$ synthetic filament by weight, incl. . . .	15.34
540269	Multiple “folded” or cabled synthetic filament yarn, incl. synthetic monofilament of < 67 decitex . . .	13.69
540824	Woven fabrics of yarn containing $\geq 85\%$ artificial filament by weight, incl. monofilament of . . .	13.48
540822	Woven fabrics of yarn containing $\geq 85\%$ artificial filament by weight, incl. monofilament of . . .	12.80
540793	Woven fabrics of yarn containing predominantly, but $< 85\%$ synthetic filament by weight, incl. . . .	12.03
540720	Woven fabrics of strip or the like, of synthetic filament, incl. monofilament of ≥ 67 decitex . . .	10.32
540774	Woven fabrics of yarn containing $\geq 85\%$ synthetic filament by weight, incl. monofilament of . . .	9.72
540783	Woven fabrics of yarn containing predominantly, but $< 85\%$ synthetic filament by weight, incl. . . .	9.08

Imports of Textiles made out of Manmade Staple Fibres by Vietnam covered under Chapter 55

Chapter	Product Description	In US\$ Mn
551622	Woven fabrics containing predominantly, but $< 85\%$ artificial staple fibres, mixed principally . . .	589.46
551341	Plain woven fabrics containing predominantly, but $< 85\%$ polyester staple fibres by weight, . . .	447.18
550320	Staple fibres of polyesters, not carded, combed or otherwise processed for spinning	341.30
551511	Woven fabrics containing predominantly, but $< 85\%$ polyester staple fibres by weight, mixed . . .	226.19
551219	Woven fabrics containing $\geq 85\%$ polyester staple fibres by weight, dyed, made of yarn of different . . .	134.61
550410	Staple fibres of viscose rayon, not carded, combed or otherwise processed for spinning	78.99
551614	Woven fabrics containing $\geq 85\%$ artificial staple fibres by weight, printed	78.62
551321	Plain woven fabrics containing predominantly, but $< 85\%$ polyester staple fibres by weight, . . .	69.13
551441	Plain woven fabrics containing predominantly, but $< 85\%$ polyester staple fibres by weight, . . .	62.60
551513	Woven fabrics containing predominantly, but $< 85\%$ polyester staple fibres by weight, mixed . . .	58.73
550810	Sewing thread of synthetic staple fibres, whether or not put up for retail sale	55.70
551422	Woven fabrics containing predominantly, but $< 85\%$ polyester staple fibres by weight, mixed . . .	44.28
550210	Artificial filament tow as specified in Note 1 to chapter 55, of acetate	44.20
551011	Single yarn, containing $\geq 85\%$ artificial staple fibres by weight (excluding sewing thread . . .	42.24
550921	Single yarn containing $\geq 85\%$ polyester staple fibres by weight (excluding sewing thread and . . .	38.48
550922	Multiple “folded” or cabled yarn containing $\geq 85\%$ polyester staple fibres by weight (excluding . . .	38.02
551612	Woven fabrics containing $\geq 85\%$ artificial staple fibres by weight, dyed	37.68
551299	Woven fabrics containing $\geq 85\%$ synthetic staple fibres by weight, dyed, made of yarn of different . . .	36.52

Chapter	Product Description	In US\$ Mn
551519	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, other . . .	30.17
551323	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed . . .	29.35
550951	Yarn containing predominantly, but < 85% polyester staple fibres by weight, mixed principally . . .	23.60
551423	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed . . .	22.07
551512	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed . . .	21.13
551311	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, . . .	20.60
550953	Yarn containing predominantly, but < 85% polyester staple fibres by weight, mixed principally . . .	19.30
551421	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, . . .	17.53
550200	Artificial filament tow as specified in Note 1 to chapter 55	16.18
551599	Woven fabrics containing predominantly, but < 85% synthetic staple fibres, other than those . . .	15.69
551211	Woven fabrics containing >= 85% polyester staple fibres by weight, unbleached or bleached	15.40
551613	Woven fabrics containing >= 85% artificial staple fibres by weight, made of yarn of different . . .	15.08
551090	Yarn containing predominantly, but < 85% artificial staple fibres by weight, other than that . . .	13.86
551692	Woven fabrics containing predominantly, but < 85% artificial staple fibres by weight, other . . .	13.82
551331	Plain woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, . . .	11.23
550952	Yarn containing > 50% to < 85% polyester staple fibres by weight, mixed principally or solely . . .	10.91
550330	Acrylic or modacrylic staple fibres, not carded, combed or otherwise processed for spinning	10.03
551643	Woven fabrics containing predominantly, but < 85% artificial staple fibres by weight, mixed . . .	8.86
551339	Woven fabrics containing predominantly, but < 85% synthetic staple fibres by weight, mixed . . .	8.70
551229	Woven fabrics containing >= 85% acrylic or modacrylic staple fibres by weight, dyed, made of . . .	8.60
551291	Woven fabrics containing >= 85% synthetic staple fibres by weight, unbleached or bleached (excluding . . .	8.48
551221	Woven fabrics containing >= 85% acrylic or modacrylic staple fibres by weight, unbleached or . . .	8.44
550969	Yarn containing predominantly, but < 85% acrylic or modacrylic staple fibres by weight, other . . .	7.24
551591	Woven fabrics containing predominantly, but < 85% synthetic staple fibres, mixed principally . . .	7.03
551430	Woven fabrics containing predominantly, but < 85% synthetic staple fibres by weight, mixed . . .	6.13
550999	Yarn containing predominantly, but < 85% synthetic staple fibres by weight, other than that . . .	5.65
551313	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed . . .	5.42

Import Duty Structure of Vietnam

Import tariffs are generally assessed on the c.i.f. (cost, insurance and freight) value of the goods.

Product	HS Chapter/Subheading	Tariff Rate Range (%)
Fibre/Yarn		
-silk	5003-5006	5-10
-wool	5105-5110	0 - 5
-cotton	5204-5207	5
-other vegetable fiber	5306-5308	5
-man-made fiber/Yarn	5401-5406/5501-5511	0- 5

Product	HS Chapter/Subheading	Tariff Rate Range (%)
Woven Fabric		
-silk	5007	12
-wool	5111-5113	12
-cotton	5208-5212	12
-other vegetable fiber	5309-5311	12
-man-made fiber	5407-5408/5512-5516	12
Knit Fabric	60	12
Non Woven Fabric	5603	12
Industrial Fabric	59	0-12
Apparel	61-62	5-20
Home Furnishings		
including: bed, bath, kitchen linens, etc.	63	0 – 20*
Carpet	57	12

*Worn clothing (HS 6309) and used and new rags (HS 6310) are subject to tariff rates of 100 percent and 50 percent, respectively.

Market Potential for Man-made Fibre Textiles in Vietnam

During 2017 Vietnam imported about US\$14.66 billion total imports of MMF textiles, of which India's share was a meagre 0.67% (US\$98.44 Million). Therefore, there is huge potential for enhancing India's exports of MMF textiles to Vietnam, by improving the quality of the export produce and by offering the products at globally competitive prices.

Exports of India's MMF textiles to Vietnam

(Value in US\$ Mn)

Year	Fabrics	Made-up	Yarn	Fibre	Total	% Growth/ Decline
2013-2014	58.23	3.88	26.22	4.00	92.33	
2014-2015	59.34	1.69	26.48	2.05	89.56	-3.09
2015-2016	57.62	1.59	28.72	1.23	89.16	-0.45
2016-2017	56.33	1.32	31.44	0.66	89.75	0.66
2017-2018	68.23	1.37	30.44	0.35	100.39	10.60

The main items of India's MMF textile exports to Vietnam during 2017-18 were Polyester viscose fabrics, Synthetic fabrics, Polyester Wool fabrics, Polyester filament yarn, polyester spun yarn, Shawls/scarves, etc.

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 Vietnam, the Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) as the lead Council, had organized of its Member-companies in "Vietnam Saigaoan Fabrics and Garment Industry Expo" (SAIGOAN TEX) from 9th to 12th April 2015 in Vietnam.

The Council had invited 12 buyers including one Fashion Designer to visit Source India an RBSM program organized by SRTEPC in Surat, Gujarat in August 2016 and 6 buyers in September 2018.

The Council had also invited a group of 25 textile buyers from Vietnam to visit Textile India in Gandhinagar, Ahmedabad during June-July 2017, which was inaugurated by the Hon'ble Prime Minister of India.

SWACHHTA HI SEVA

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) observed the Swachhta Hi Seva initiative of the Hon'ble Prime Minister, Shri Narendra Modiji from 15th September to 2nd October 2018. As part of the same, SRTEPC organized various activities like displaying of posters, standees and cleaning of premises, etc. Standees relating to Swachhta Hi Seva were also prominently displayed at Council's event **"SOURCE INDIA 2018"** held during 21st-23rd September 2018. Posters and Banners were also displayed at its premises as well as placed on the Council's website. The E. D. and all the staff of the Council participated in cleaning of the premises.



EXPERT CONSULTATION & SERVICES ON MMF TEXTILE DATA AND GST RELATED MATTERS

We are glad to inform that **SRTEPC** has appointed following two Agencies for having Consultations and Services on MMF Textile Data and GST related matters

1. **M/S Gherzi Consulting Engineers Pvt Ltd.**
2. **M/S SVAB & Company**

SCOPE OF WORK

- (i) Industry and Trade Statistics/ Data to the Members.
- (ii) Updates on changes in GST Act or Rules with explanations and clarifications.
- (iii) Members' doubts and queries to be clarified related to GST - Act, Rules, Notifications, Circulars, etc.

Therefore, Member-exporters are requested to send their queries related to the above mentioned matters viz., industry and trade Statistics / Data and GST issues to the Council.

CHAIRMAN

CLARIFICATION

There were typographical errors in the Stalwarts Speak Article of September Issue which should be read as follows:

Typographical error	Page No.	Correct Word
a. bale	18	been able
b. say	20	way

EDITORIAL TEAM

59 Minutes Loan Approval Scheme for MSMEs

Today, MSME Sector in India is benefitted by a range of schemes linked with their Udyog Aadhaar Memorandum, a 12-digit Aadhaar number for business enterprises. In order to facilitate ease of doing business, government has taken several initiatives to improve the trade of our country.

A unique portal (www.psbloansin59minutes.com) has been launched by the Finance Minister, Shri Arun Jaitley that claims to grant Loans of upto Rs.1 Crore in 59 minutes to MSME's from SIDBI and 5 other public sector banks. The aim of this scheme is to boost credit availability to MSME. This Portal sets a new benchmark in loan processing and will reduce the turnaround time from 20-25 days to 59 minutes. The loan will be disbursed in 7-8 working days.

➤ Features

- MSME financing will be carried out by Small Industries Development Bank of India (SIDBI) and big 5 PSBs which includes State Bank of India, Bank of Baroda, PNB, Vijaya and Indian Bank.
- No human intervention until the sanction or disbursement stage.
- Set up to entertain the applications from MSMEs is capable of analyzing the MSME data through complex algorithms.
- The first-of-its-kind portal for MSME borrowers that can get MSMEs connected with multiple banks without visiting the branch.
- An advanced digital platform for MSME financing with services driven architecture and highest level of information security.
- It is the only platform in the market with a Banker Interface which covers the Branch Level integrations (with maker-checker-approver) in tune with current systems of PSBs.
- The only platform that enables bankers to create Loan Products in line with the Scoring models and assessment methods within their approved credit policy.
- It has an integrated GST, ITR, Bank Statement Analyser, Fraud Check and Bureau Check as well as host of other features which at present is not available with any other player in the market.
- It has been integrated with Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) for checking the eligibility of Borrowers. MSME borrower gets loan up to Rs 2 crore without any collateral, which is major relief for MSME borrower.

➤ Requirements

The entrepreneurs who want to take loan within 59 minutes must have the following documents with them at the time of registration which is given here-below:-

- 1) GST Identification Number (GSTIN), GST User-ID & Password.
- 2) Income Tax e-Filing password & Date of Incorporation/ Birth OR Income Tax Returns (ITR) for latest 3 years in XML format.
- 3) Current Account – Net Banking: Username & Password or Bank Statement for last 6 months in PDF format.
- 4) Director/Partner/Proprietor details- Basic, Personal, KYC, Educational details & ownership in the firm.
- 5) Convenience fee Rs 1000 + GST on In-Principle approval (No Hidden Charges).

How To Apply Online For MSME Business Loan In 59 Minutes?

- 1) Visit the Official website i.e. psbloansin59minutes.com.
 - 2) Complete the registration first, by filling in the details.
 - 3) Enter the OTP received on the provided number to complete the registration process.
 - 4) You will have to set a new Password.
 - 5) You are all set to fill in the MSME Business Loan Application Form. Following are the four steps involved in this process:
- **“Provide your data” option** - You will have to provide GST, Income Tax, Internet Banking Details.
 - **“Select Banking Partners” option**- It gives you the option to select the Bank of your choice depending on the interest rate they are offering.
 - **“Get approval” option**- You will be taken to Convenience Fee Payment Page. After the payment, you will see the Approval Message.
 - **“Loan Approved” option** - Click on ‘Download’ to Download the details of the approval.

You can also download the Approval Letter.

Source:

<https://www.yojanaonline.in/msme-business-loan-upto-1-crore-in-59-minutes-apply-online-psbloansin59minutes-com/>.

<http://pmjandhanyojana.co.in/apply-msme-business-loans-59-minutes-psbloansin59minutes-com/>.

<https://www.sarkaridunia.in/www-psbloansin59minutes-com-apply-online-for-msmes-loan-in-59-minutes/>.



A Tribute to our Past Chairman, Shri Anil Rajvanshi (January 2015 to February 2017)

Shri Anil Rajvanshi, Senior Executive Vice President & Head Corporate & Industry Affairs of M/s. Reliance Industries Ltd., (RIL), a Fortune Global 500 company and one of the largest industrial houses of the country. Shri Rajvanshi is the Director of Recron (Malaysia) Sdn Bhd, a Reliance Group company and operates world largest integrated textile complex. Shri Rajvanshi's journey in the Indian man-made fibre textiles industry began in 1989 and since been working with major fibre producers.

Before taking on the mantle as the Chairman, Shri Rajvanshi was the Vice Chairman of the Council for two years and has also been a long standing Member of the Committee of Administration of SRTEPC. The Council organized a number of events during Shri Rajvanshi's tenure as the Chairman but the one that has left a long lasting imprint in the history of not only the Council but the entire MMF textile industry is the "SOURCE INDIA" held in Surat during August 2016. The Council had earlier organized a Reverse Buyer Seller Meet in 2010 which served as a good trial for this pioneering effort of the Council. "SOURCE INDIA" in 2016 was a bigger and was incomparable to any of such Shows organized earlier. The Event was held in Surat which is considered to be the hub of MMF textiles which proved to be the major ace for success. The Event also gained a lot of importance as it was inaugurated by the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani who was impressed by the grandeur of the Show that the Ministry of Textiles also decided to organize an event on the same lines the next year which conceptualized into "TEXTILES INDIA" in 2017 at Gandhinagar. Needless to say, the Council was actively involved in organizing of "TEXTILES INDIA 2017" under the guidance of Shri Rajvanshi who was then Chairman. The success of "SOURCE INDIA 2016" has indeed been path-breaking that prompted the Council to organize its second edition i.e., "SOURCE INDIA 2018" and make it as an Annual Event of the Council. Shri Rajvanshi's contribution towards organizing the same has been highly commendable.

During Shri Rajvanshi's tenure, Council organised exclusive Exhibitions in various emerging and new markets including Vietnam, Turkey, Colombia, Bangladesh and Myanmar. The Council also held maiden exclusive Exhibitions in the Latin American countries of El Salvador and Honduras as well as in Dubai. Besides, the Council also participated in renowned International Fairs such as the Istanbul Yarn Fair and Tex World Istanbul, Turkey; Cairo Fashion & Tex, Egypt; Intertextile Shanghai Apparel Fabrics, China; 7th Colombo International Yarn & Fabric Show (CIFS), Sri Lanka; Morocco Style Fashion & Textiles, Morocco; TEXTILEGPRO, Russia and INTERMODO Guadalajara, Mexico.

As the Chairman of the Council, Shri Anil Rajvanshi, actively represented in various Meetings with the Ministries, Government of India of Board of Trade, Textiles Policy, Export Policy and Targets, Duty Drawback and GST, etc. and put forth Council's point of view and grievances effectively before them. He was associated with Acrylic Fibre while at the helm of affairs at India Acrylics Ltd. and thus his knowledge on acrylic fibre is impeccable.

Shri Rajvanshi is also a member of the National Committee of Textiles of Confederation of Indian Industry (CII) and Federation of Indian Chamber of Commerce & Industry (FICCI). He is also associated with the Textiles Committee and represents Reliance Industries Ltd. At The Synthetic & Art Silk Mills Research Association (SASMIRA).

With his long experience and knowledge of MMF textiles, the Council is fortunate to have Shri Rajvanshi continue as a permanent invitee to the Committee of Administration.



MANMADE FIBRE TEXTILE INDUSTRY IS THE FUTURE: ISSUES THAT INDIA NEEDS TO ADDRESS

By Shri Ronak Rughani, Rughani Brothers

Textile industry is one of the largest employment generating industries globally. The recent decades in terms of the development of the textile industry at the global level have been marked by processes of intensive structural adjustment which has resulted in the transfer of production to developing countries. This initiated the greater involvement of this industrial branch in international trade flows, with the constant strengthening of the exporting position of the new leaders in production, which led to major changes in the global distribution of exports and imports of textile products.

Global the Man-Made Fibre (MMF) textile industry Outlook

The Man-Made Fibre (MMF) textile industry occupies a pre-eminent position globally. Today, Man-made fibres dominate global textile fibre consumption with 72% share whereas only 28% is natural fibre. Fibre consumption in India is opposite to the global trends. Presently natural fibres dominate with 61% of total fibre consumption and 39% is only of Man-made fibres.

According to the Textiles Intelligence Report on Forecasts of Regional and Global End Use, demand for man-made fibres is expected to increase by 3.4% in 2017 whereas end use demand for cotton is expected to increase by only 0.5%. As a result of these trends, the share of man-made fibres in global end use demand will grow from 72.5% to 73.0% but the share of cotton will fall to 25.7% of which most of the overall growth will take place in developing countries, and most of this growth will be in Asia.

In 2017 the total global fibre production was estimated at 101.4 million tons in which China's production is 69 million tons and India's production is 11 million tons. Other countries including EU, NAFTA, Australia, etc. produces remaining quantity. Global synthetic fibre/ filament production was estimated at 71 million tons in which China's production is 44 million tons and India's production is around 4 million tons. Polyester fiber is the single-largest-volume fiber used globally, accounting for about 50% of the overall man-made and natural fiber market.

Importance of Indian Growing MMF Textile Segment

India's per capita Man-made fibre consumption is 3 kg whereas in China it is 11 kg and globally it is 6 kg. This gives huge scope for India to focus on the growth and consumption of MMF in the entire textile value chain. Textile Vision of our Government is to achieve US\$ 350 billion by 2024-25. To achieve this textile Vision, our fibre base needs to be doubled. With implied limitations on growing cotton, MMF needs to grow three times from the present 4 billion kg to 12 billion kg in next five years for India to achieve this Vision. Currently, the Indian MMF textile industry is around US\$ 40 billion of which US\$ 6 billion is export market and US\$ 34 billion is domestic market. There is huge untapped potential for India in the MMF textile segment. Given the macro-economic trends and international events shaping the Indian and global economy, the Indian Synthetic textile industry is looking at vast opportunities in this sector as the synthetic textile segment has a strong presence in the entire value chain.

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PAL FASHIONS PL, TARAPUR MAHARASHTRA

In 1981 Shri Ascharj Singh Ahuja set-up a wet processing facility which has evolved into India's leading composite mill spread over a 10 acre campus, providing end to end solutions from yarn to apparel. This has been an inspiring journey combining technology with innovation.

During the 80s, Pal Fashions specialised in processing fine dress material including cationic dyeable polyester and many interesting fabrics like double beam satins as well as high twist shirting bases. In 1989 the group began exports to Dubai and within a few years, they were shipping 7.2% of all polyester fabrics exported from India to U.A.E.

In the 90s Shri Arvinder Singh Ahuja, popularly known as Raju Bhai, developed a strong customer base in U.K., France, Spain, Morocco and Algeria. He received 3 Gold Trophies for Best Export Performance from the Council. Today he heads a team of dynamic professionals who strive to meet each and every need of their discerning customers from across the globe.

The new millennium saw Pal Fashions install cutting edge technology from Switzerland, Austria, Germany, Italy, Japan, Korea, China and Taiwan besides India. These include machinery for yarn processing, dyeing and finishing, digital printing, schiffli and multihead embroidery as well as for apparel manufacturing.

Under the Government's TUF scheme, Pal Fashions created annual capacity for textile processing of 18 million meters, embroidery of 7 million meters or 6 billion stitches, waterless digital printing of 3 million meters and half a million garments under one roof.

The fastest schiffli machines have been installed in Tarapur, producing world class embroidery. These are supplied to garment converters for brands like Zara, Mango, H&M, Gap, Forever 21, J Jill, Topshop, M&S, Vero Moda, Next, Primark, Ted Baker, JC Penny and many more.

With innovation inspired from nature, tradition and sheer imagination, Pal Fashions is able to set trends for forthcoming seasons. A large team of designers create unique fabrics and also present their original line of garments.

Compliance of global norms prescribed by the buyers is managed through concurrent testing in the company's well-equipped laboratory. It enables the organization to set high standards of quality control at every level.

Over the last few years, Shri Arjun Singh Ahuja has built the company's brand NAARI which is being sold in more than 1500 large format stores and multi brand outlets pan India. NAARI has a strong online presence, serving consumers in every nook and corner of our country. He plans to take Indian ethnic fashion to the world.

Sustainability has become the cornerstone of Pal Fashions through use of renewable energy over fossil fuel besides conservation of water and power. Pal Miyawaki Forest with over 25000 native trees on the campus makes the company permanently carbon negative.

Today the 4th generation of this family business are working in close co-ordination to continue the legacy of their forefathers and make India shine brighter in the world of textiles.



Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles; Smt. Darshana V. Jardosh, Member of Parliament, Surat and Shri Sri Narain Aggarwal, Chairman, SRTEPC lighting the traditional lamp at the SOURCE INDIA 2018

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SRTEPC sets New Standards on Global RBSMs in Source India 2018

For three days, SRTEPC engaged the 150 plus buyers from 35 countries with its 100 plus member exhibitors in business negotiations at different platforms that resulted in generation of about US\$ 115 million total business (including spot bookings and future deals).

A carefully planned and detailed selection process that took into account factors like the Buying Company's import data, annual turnover in US\$, products of interest, presence of an official website, recommendation by the leading textile trade body and other important details were minutely scrutinized by the Trade Promotions Department.

Points were allotted based on these criteria and only the outstanding companies were put up for selection by the 'Working Committee'. Invitations were sent to the selected companies to nominate the Decision Maker to visit our event. Visa Recommendation Letters were issued and complimentary Economy Class Return Airfare, Free Accommodation in



Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles addressing the audience at the Inauguration of SOURCE INDIA 2018. Also seen on the dais from l to r Shri Ronak Rughani, Vice Chairman, SRTEPC; Shri Anil Rajvanshi, immediate past Chairman & Convenor of SOURCE INDIA 2018, SRTEPC; Shri Sri Narain Aggarwal, Chairman, SRTEPC, Smt. Darshana V. Jardosh, Member of Parliament, Surat and Shri Dhiraj Shah, Surat Regional Committee Chairman.

a business class hotel for 3 nights in Surat and Air Conditioned Inland transportation was provided by the Council to 156 buyers.

Similarly, the Council organized Road Shows at the leading textile clusters of Bhivandi, Ahmedabad, Surat, Erode and Rajapalayam to solicit participation of its member exporters at the event. Since the Council had opened two new Regional Offices in Coimbatore and Ahmedabad in March 2018 and June 2018 respectively, the participation of leading MMFT exporters from these regions was solicited through these Road Shows. SRTEPC promoted its flagship RBSM very aggressively by advertising in the leading textile magazines such as Tecoya Trends, Fibre2Fashion, Textile Value Chain, Global Textiles & Apparels, Times International,

DFU Publications, Textile Infomedia and Alibaba.com over a period of 3 months. The Council also promoted the event through the websites of the leading Textile Trade Bodies in each of the countries where the Road Shows were organized, besides using the website of our Indian Embassies.

The Hon'ble Union Minister



View of the audience at the Inauguration of SOURCE INDIA 2018

of Textiles, Smt. Smriti Zubin Irani inaugurated “SOURCE INDIA 2018” on 21st September 2018 as its esteemed Chief Guest. Smt. Darshana V. Jardosh, Member of Parliament was the Guest of Honor. Along with the Chairman, Shri Sri Narain Aggarwal, Vice Chairman, Shri Ronak Rughani, Convener & Immediate Past Chairman, Shri Anil Rajvanshi and Regional Committee Chairman Shri Dhiraj Shah they cut the ribbon and lit the traditional lamp before the assembled audience of the exhibitors and international buyers.

Convener of “SOURCE INDIA 2018” & Immediate Past Chairman, SRTEPC, Shri Anil Rajvanshi, welcomed the Chief Guest Smt. Smriti Zubin Irani, Hon’ble Union Minister for Textiles, who he said immediately accepted our invitation to inaugurate this Event despite her busy schedule which showed her commitment towards the Indian Manmade Fibre Textile segment and her concern for the industry in Surat. He also welcomed Smt. Darshana Jardosh, Hon’ble Member of Parliament from Surat. Shri Anil Rajvanshi extended a warm welcome to all the International Buyers and our Member Exhibitors and wished them best wishes for a productive and profitable association.

Chairman SRTEPC, Shri Sri Narain Aggarwal delivered the key note address by thanking the Hon’ble Union Minister of Textiles and Hon’ble Member of Parliament for gracing the event with their presence. He spoke on the strides taken by the Indian Man-made Fibre Textile Industry and was hopeful that our exporters would ensure that China was replaced as the ‘Go To’ destination for sourcing MMFT products within a few years. He thanked the visiting International Buyers for reposing their faith in the capabilities of the Indian Exporters and thanked the exhibitors for lending their support to the Council’s second edition of its flagship Global Reverse Buyer Seller Meet by participating as exhibitors. The Chairman was confident that the event would generate business and business deals to the satisfaction of the stakeholders.

Sri Narain Aggarwal appreciated the Government’s handholding support to the MMF textile segment such as allowing ITC refund on fabrics and expediting the refunds. He expressed the hope that the Government will look into the pending issues like Refund of IGST on capital goods and input services, inclusion of MMF textile products falling under equal or lower rate of GST for refund of ITC, removal of Double Taxation on ocean freight, extension of Rebate of State Levies (ROSL) Scheme benefits to Yarns and Fabrics, extension of Merchandise Exports from India Scheme (MEIS) to all MMF textile products with 5% reward rate and extension of Interest

Equalisation Scheme (IES) benefits to MMF yarns and Merchant exporters.

The Hon’ble Union Minister of Textiles, Smt. Smriti Zubin Irani congratulated the domestic textile companies for participating in this biggest Fair of Man-made fibre textiles in the country. She also welcomed the foreign delegates coming from 34 countries in such a large number of more than 150 to visit the SOURCE INDIA. She expressed her happiness to note that Buyers from emerging economies of textiles such as Vietnam, Myanmar, Republic of Moldova, Kenya, Egypt, Peru, Mexico and Colombia are participating apart from other South American, Africa, South East Asia and East European countries in this Event. She also felt happy to note that the leading MMF textile players spanning pan India such as Reliance Industries, Grasim Industries, Wellknown Polyesters, Bombay Dyeing, Praful Group, etc. are participating in this event. The main products exhibited during this show include Man-made staple fibres such as polyester, viscose, acrylic, varieties of yarns & fabrics, shirting, suiting, embroidered fabrics, dress materials, Denim, Women Suit, medical fabrics, etc.

She congratulated the Management of SRTEPC particularly Shri Sri Narain Aggarwal, Chairman, SRTEPC, Shri Anil Rajvanshi, Immediate past Chairman and Shri Ronak Rughani, Vice Chairman, SRTEPC for organising this Event on such a big scale. She informed that during the first edition of SOURCE INDIA in 2016 which was also inaugurated by her, the Business of around US\$ 80 million was generated. Since this time the event is on a large scale, the Hon’ble Union Minister of Textile expected business generation of around US\$ 200 million during this “SOURCE INDIA 2018”. The future business volume by these 34 countries is likely to be about US\$ 500 million.

The Hon’ble MP, Smt Darshana V. Jardosh while addressing the audience thanked SRTEPC for continuing to organize the event in Surat, thereby providing the local industry and the textile units with the opportunity to grow their business and take maximum benefit of this event. She thanked the Hon’ble Union Minister of Textiles for lending her continuous support to the various textile segments and clusters in the country.

Vice Chairman SRTEPC, Shri Ronak Rughani, gave the Vote of Thanks highlighting some of the achievements of the Council during the past year, expressing gratitude to the HMOT, the Member of Parliament, the COA members, the Media, the various vendors and the Council Staff for putting together this mega event.

The Hon'ble Union Minister along with the dignitaries proceeded to do a round of the venue to take a glimpse of all the companies exhibiting at the event. Post the visit, she went back to the dais and interacted with the 150 plus buyers from the various countries. Buyers from Egypt, Turkey, Poland, Republic of Slovakia, Australia, Morocco, Sri Lanka, Colombia, Brazil and Mexico especially took the opportunity to share their expectations and requirements. Encouraging their participation, HMOT assured them of having an infrastructure, quality and ability to meet all their requirements for Man-made Fibre Textile Products.

The highlight of the post lunch period was the B2B meetings organized for our exhibitors. All the International buyers were welcomed with a 'Buyers Kit' comprising the Exhibitor's Directory, Floor Plan, Buyer's Brochure, SRTEPC Diary and Coffee Table Book. The Kit also included their entry badge which comprised of a unique 'Buyer Code', the Importing Company name, name of its representative and the Country of origin. 50 buyers were slotted a desk during the time from 2.30 p.m to 5.00 p.m. in the Business Lounge with the objective of enabling all our member exhibitors to meet up with them, exchange business cards and either discuss business there itself or invite them to their booth. These time slots for the B2B meetings were planned and communicated to the Buyers as well as Exhibitors in advance so that they could plan their schedule accordingly. This unique concept was a huge success and very well appreciated both by the International Buyers and our Member Exporters. The Business meetings ensured that all exhibitors got the opportunity to meet all the invited foreign buyers of their interest and relevance in order to discuss business.

This session was followed by a Seminar on doing business in Turkey, the Gateway to Europe. It was presented by Mr. Sait Akgun, Consultant and former trade advisor to the Republic of Turkey. Mr. Akgun delved on the various trade measures and the effective ways of countering them in order to grow the exports of Indian MMFT products to Turkey. Reliance Industries Ltd, held a Fashion Show to promote its brand 'R-ELAN' to the audience. Models sashayed the ramp in a glittering and well conceived Fashion Show that had the stakeholders applauding the range and its presentation.

The Council arranged for 'Folk Dance' performance by artistes for the benefit and entertainment of the visiting foreign buyers. 'Raas Garba', 'Dandiya' and 'Bhangra' were performed with much enthusiasm by the performers and was well appreciated by the international audience. This was followed by the 1st Networking

Dinner which was arranged at the venue itself, thereby providing an opportunity to our member exhibitors and the international buyers to develop relationships in an informal setting.

The second 'B2B session' was slotted from 11.00 a.m. to 1.30 p.m. on the second day, i.e 22nd September 2018. The next batch of 50 International buyers was allotted table space in the Business Lounge for one to one meetings with our exhibitors. The third and final 'B2B' session was scheduled between 2.30 p.m. to 5.00 p.m. in the afternoon allotting table space for the balance international buyers to meet the exhibitors. The Council had arranged for 'Interpreters' to facilitate strategic business discussions. Spanish, French and Russian interpreters were present all through the business meetings and provided assistance to the buyers during their visits to the various booths as well. Since the number of visitors from LAC countries, Moldova and Morocco were in large number, the interpreters were organized for these buyers.

The Business Meetings were followed by Seminars on the 'Future of Man-made Fibre Textiles in the present Global scenario' held at the Banquet Hall in Hotel The Grand Bhagwati for all the International Buyers and Member Exhibitors. The lectures on this topic were delivered by Mr. Prashant Agarwal, Wazir Advisors and Mr. Amir Sheikh, Gherzi Consultants and were very informative and beneficial to our industry stakeholders. The Seminar was followed by the 2nd Networking Dinner organized by SRTEPC for the participants at SOURCE INDIA 2018.

The third day, 23rd September was utilized by the Exhibitors to renew their discussions and negotiations with the International Buyers. In addition there were the domestic visitors comprising representatives for Indian and International Buying Houses, Directors and Owners of the local manufacturing units, Officials of various textile trade bodies, Fashion Designers, Students from Fashion and Design Schools and other related industry stakeholders.

The Council had set up a 'Theme Pavilion' to showcase the fashion trends and forecasts for the forthcoming 'Autumn-Winter' and 'Spring-Summer' collection. SRTEPC had arranged to create prominent and very well conceptualized branding all across the venue and on the outside to highlight the event. Hoardings were put up in prominent locations in Surat a month prior to the event to publicize the event. Welcome Letters and Invitation Cards were handed over to the participants as part of the 'Welcome Kit' and were also distributed among the Ministry officials at Udyog Bhavan as well as in Mumbai and Surat.

Index of Industrial Production (IIP)

(April-August 2018-19)

HIGHLIGHTS

- The Index of Industrial Production (IIP) in the month of August 2018 was higher by 4.3% over the index of August 2017.
- The cumulative overall growth of IIP during April-August 2018-19 registered a growth of 5.2% as compared to the same period of the previous year.
- **The Index of Industrial Production for the month of August 2018 for the Textiles Sector increased by 7.8 % as compared to August 2017.** There has been a cumulative rise of 2.9% in Textiles Sector during April-August 2018-19 over the corresponding period of 2017-18.
- The Index of Industrial Production for wearing apparel for August 2018 increased 18.9% and was up 1.1% during the period April-August 2018-19 over the corresponding period of the previous year.
- The Index of overall Industrial Production for the manufacturing sector has increased by 4.6% during the month of August 2018 while there was a cumulative growth of 5.4% during the period of April-August 2018-19 over the corresponding period of the previous year.

The Statement below gives the Quick Estimates of growth rate of the Index of Industrial Production (IIP) at 2 digit level of the National Industrial Classification (NIC-2008) for the period of April-August 2018-19, along with the cumulative growth rates over corresponding period of the previous year:

Industry code	Description	Percentage growth				
		July 2018	August 2017	August 2018	Apr-August 2017-18	Apr-August 2018-19
13	Textiles	2.9	-2.9	7.8	- 1.9	2.9
14	Wearing apparel	9.8	- 5.1	18.9	- 3.3	1.1
10-32	Manufacturing	7.0	0.1	4.6	1.6	5.4
	General	6.6	1.2	4.3	2.2	5.2

Source : Ministry of Statistics & Programme (MOSPI) www.mospi.nic.in





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Manmade fibre textile industry is the future: Issues that India needs to address

India has advantages in being present in all segments of the Textile value chain, beginning from fibre, yarn, fabric and going all the way to clothing, branded apparel and fashion. The new emerging segments like technical textiles that have industrial applications are mostly from MMF. The net imports of the textile products into the US and EU show a steady decline in cotton content vis-à-vis manmade fibre over the past five years.

India is the second largest producer of man-made fibres (MMF) in the world with presence of large plants having state-of-the art technology. Presently India produces over 1441 million kg of man-made fibres and over 3000 million kg of man-made filament yarn. Over 23000 million sq. mtr. of fabrics were produced from Man-made fibres and their blends. Most of the Man-made fibres are currently produced in India. India is 2nd largest producer of polyester and viscose in the world. Major varieties are polyester, viscose, acrylic and polypropylene.

Current Issues

Indian MMF textile segment has a solid base to withstand all the market forces globally both in terms of quality and price. However, increasing level of subsidies being offered by China to its textile industry is nullifying the genuine competitiveness gained by textile companies across the world including Indian exporters. China is giving direct and indirect subsidies to the textile manufacturers through its policies. Some of these subsidies are in the form of free/concessional land, long term loans on highly subsidised interest rates, ROSL (now introduced in India for RMG and Made-up), freight subsidies and export incentives, etc. The sum total of these subsidies makes up to 20%-25% which makes their products competitive in international markets whereas the Government of India is phasing out the export incentives. US Department of Commerce has listed over 100 actionable subsidies on their website. Although, China's labour cost is rising but it gets mitigated owing to export and manufacturing subsidies. As a result, Chinese products becoming more competitive as compared to India.

In India also Government can help in enhancing the growth and competitiveness of the MMF textile segment both domestically and internationally with various policy supports. MMF segment is highly capital intensive. Many of the units of MMF textile segment are MSMEs and operate in decentralised sector. There must be fibre neutrality and policy parity between fibres. In order to encourage desired investment in the MMF textile segment, government needs to ensure availability of Capital goods without putting additional financial burden on the exporters. Hence, Government should consider allowing Input Tax Credit of GST / IGST on capital goods for the MMS Textile segment. Blockages of huge amount of ITC refund due to inverted duty structure in the MMF textile segment and flaw in interpretation of the rules by field formations, state GST officials is hitting this MMF textile segment badly. Refunds (IGST/ITC) to the exporters/ business may be in the line with China's Model including extension of RoSL benefits to the yarn and fabrics segment. Double taxation on Ocean Freight is also giving additional financial burden on the exporters. For increasing competitiveness of our exports government needs to include all the MMF textiles in the MEIS and increase reward rates to 5%.

MINISTRY OF COMMERCE & INDUSTRY
DGFT

S. No	Heading No.	Date	Subject	Description	Download the Link
1)	Notification No.38/2015-20	28.09.2018	Amendment of import policy of Petcoke	DGFT has added "graphite electrode industry" in Policy condition No. 6 of Chapter 27 under ITC (HS) 2017.	http://dgft.gov.in/sites/default/files/Notification%20No-38%20dt-28.9.18%28E%29.pdf
2)	Notification No. 36/2015-20	27.09.2018	Amendment in Para 2.47 of FTP 2015-20	The value limit for exports through post has been removed but there is a value limit of Rs. 5,00,000 in case of overseas shipments through courier services.	http://dgft.gov.in/sites/default/files/NOT-36-27092018_0.pdf
3)	Notification No. 35/2015-20	26.09.2018	Amendments to Foreign Trade Policy 2015-2020- Extension of Integrated Goods & Service Tax & Compensation Cess exemption under Advance Authorisation, EPCG & EOU scheme upto 31.3.2019	DGFT has extended the date of exemption of IGST and Compensation Cess under Advance Authorisation, EPCG and EOU scheme upto 31st March, 2019.	http://dgft.gov.in/sites/default/files/Notification%20No%2035%20%E2%80%932026-09-2018%20English.pdf

MINISTRY OF FINANCE
CBEC – CUSTOMS

S. No	Heading No.	Date	Subject	Description	Download the Link
1)	Notification No. 72/2018-Customs (T)	28.9.2018	Seeks to reduce the import duty on parts/ components used in manufacturing of specified textile machinery to Nil	Amendments made in Notification No. 50/2017- Customs dated 30th June, 2017 to reduce the import duty on parts/ components used in manufacturing of specified textile machinery to Nil.	http://www.cbic.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-tarr2018/cs72-2018.pdf
2)	Notification No. 66/2018-Customs (T)	26.9.2018	CBIC extends the exemption from Integrated Tax and Compensation Cess upto 31.3.2019 on goods imported against AA/EPCG authorizations	CBIC extends the date of exemption from Integrated Tax and Compensation Cess upto 31.03.2019 on goods imported against Advance Authorisations (AA)/ Export Promotion Capital Goods (EPCG) authorizations	http://www.cbic.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-tarr2018/cs66-2018.pdf
3)	Notification No. 65/2018-Customs (T)	24.9.2018	CBIC extends the date of exemption from Integrated Tax & Compensation Cess upto 31.03.2019 on goods imported by EOU	Seeks to extend the exemption from Integrated Tax and Compensation Cess upto 31.03.2019 on goods imported by EOU.	http://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-tarr2018/cs65-2018.pdf;jsessionid=4AE50A8C-7652C89CAB9A2C8CDF2704A0
4)	Notification No. 63/2018-Customs (T)	18.9.2018	Amendment to Customs Exemption Notifications No. 24/2015-Customs dated 08.04.2015 to align it with amendment in Foreign Trade Policy.	Amendments are made in Paragraph 2 in Notifications No. 24/2015-Customs.	http://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-tarr2018/cs63-2018.pdf;jsessionid=62C77E-830439B8E7087B8A60F57C796C
5)	Notification No. 85/2018-Cus(NT)	04.10.2018	Exchange Rate Notification	CBIC notifies the exchange rate conversion of the foreign currencies into Indian currency relating to import and export of goods. w.e.f. 5.10.2018.	http://www.cbic.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt85-2018.pdf
6)	Notification No. 83/2018-Cus(NT)	28.09.2018	Exchange Rate Notification	CBIC notifies the exchange rate conversion of the foreign currencies into Indian currency relating to import and export of goods. w.e.f. 29.09.2018.	http://www.cbic.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt83-2018.pdf
7)	Notification No. 81/2018-Cus(NT)	20.09.2018	Exchange Rates Notification No.81/2018-Custom(NT) dated 20.9.2018.	CBIC notifies the exchange rate conversion of the foreign currencies into Indian currency relating to import and export of goods. w.e.f. 21.09.2018.	http://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt81-2018.pdf;jsessionid=7D18A36318A-9641B23EEF38340949D0B

S. No	Heading No.	Date	Subject	Description	Download the Link
8)	Notification No. 80/2018-Cus(NT)	19.09.2018	Exchange Rates Notification No.80/2018-Custom (NT) dated 19.9.2018.	CBIC notifies the exchange rate of conversion of each of the foreign currency into Indian currency or vice versa relating to import and export of goods. w.e.f. 20.09.2018.	http://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/cstnt80-2018.pdf
9)	Notification No. 79/2018-Cus(NT)	14.09.2018	Amendment to Customs Tariff Determination of Origin of Goods under Comprehensive Economic Cooperation Agreement between the Republic of India & Republic of Singapore Rules, 2005	These rules may be called the Customs Tariff Determination of Origin of Goods under the Comprehensive Economic Cooperation Agreement between the Republic of India and Republic of Singapore (Amendment) Rules, 2018 and shall come into force on the date of their publication in the Official Gazette.	http://www.cbic.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/cstnt79-2018.pdf
10)	Notification No. 50/2018-Cus (ADD),	05.10.2018	Seeks to levy definitive anti dumping duty on nylon filament yarn imported from Vietnam and European Union.	CBIC has imposed anti-dumping duty on imports of Nylon Multifilament Yarn originating in or exported from Vietnam and European Union falling under Sub-Heading No. 5402.	http://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-add2018/csadd50-2018.pdf;jsessionid=F-C9098757EE2404103CB4AF8B9E-F615E
11)	Circular No. 37/2018-Customs	9.10.2018	Cases where IGST refund have not been granted due to claiming higher rate of drawback or where higher rate and lower rate were identical	CBIC has decided that it would not be justified allowing exporters to avail IGST refund after initially claiming the benefit of higher drawback.	http://www.cbic.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2018/Circular-37-2018-Customs.pdf
12)	Instruction No. 16/2018-Customs	8.10.2018	Classification of e-seals under Heading 8309	E-seals merit classification under the Heading 8309 which covers- Stoppers, caps and lids (including crown corks, screw caps and pouring stoppers), capsules for bottles, threaded bungs, bung covers, seals and other packing accessories, of base metal.	http://www.cbic.gov.in/htdocs-cbec/customs/cs-instructions/cs-instructions-2018/cs-ins-16-2018.pdf

CBIC – CENTRAL EXCISE

S.No	Heading No.	Date	Subject	Description	Download the Link
1)	Notification No. 21/2018-Central Excise(T)	04.10.2018	Seeks to amend Notification No. 11/2017-Central Excise dated 30th June, 2017 in order to reduce Central Excise duty rates on motor spirit (petrol) & High-speed diesel	Amendments made in Notification No. 11/2017-Central Excise dated 30th June, 2017 in order to reduce Central Excise duty rates on motor spirit (petrol) (HS Code 2710) & High-speed diesel (HS Code 27101930) w.e.f 5th October, 2018.	http://www.cbic.gov.in/htdocs-cbec/excise/cx-act/notifications/notfns-2018/cx-tarr2018/ce21-2018.pdf
2)	Circular No. 35/2018-Customs	1.10.2018	Advisory circular for registration of beneficiaries on ICEGATE	Procedure on registration is available at ICEGATE website under the path https://icegate.gov.in →Downloads→Registration→Demo.	http://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2018/Circular-35-2018-Customs.pdf;jsessionid=A67938C71999F-99DA69C73C5899AB7AE
3)	Circular No. 33/2018-Customs	19.9.2018	Sanction of pending IGST refund claims where records have not been transmitted from the GSTN to DG Systems	CBIC has decided that since Cost Accountants are authorised for issuing various certifications/ representations like in Section 35, Section 66, Section 116 and Section 48 read with Rule 24 of Return rules. CBIC has decided that Cost Accountants are also authorized to provide the requisite certificates as envisaged under Circular 12/2018-Customs dated 29.05.2018.	http://www.cbic.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2018/Circular-33-2018-Customs.pdf

S. No	Heading No.	Date	Subject	Description	Download the Link
4)	Circular No. 32/2018 - Customs	17.09.2018	Customs procedure for export of cargo in containers & closed bodied trucks from ICDs/ CFSs through LCS	CBIC has prescribed procedure for facilitating & monitoring transshipment of consignments sealed under Electronic Cargo Tracking System (ECTS) at Inland Container Depot (ICDs)/ Container freight station (CFSs) and destined for export to Nepal or Bangladesh.	http://www.cbic.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2018/Circular-32-2018-Customs.pdf

SAHAR AIR CARGO CUSTOMS

S.No	Heading No.	Date	Subject	Description	Download the Link
1)	Public Notice No. 83/ 2018- 19	1.10.2018	Simplification and Rationalization of Processing of AEO-T1 application-Revised Guidelines	To simplify processing & to ensure its desired effectiveness, CBIC has replaced present Annexure for AEO T1 application. i.e. Annexure A, C, D, E1, E2, E3 and E4 with Annexure – 1 & Annexure- 2 & processing by way of new annexures 1 and 2.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2018/Public%20Notice%20No.%2083%20of%202018-19.pdf

JAWAHARLAL NEHRU CUSTOM HOUSE

S. No	Heading No.	Date	Subject	Description	Download the Link
1)	Public Notice No. 134/2018	1.10.2018	Procedure to be followed for “Manual correction in EDI Bills of Entry at JNCH	JNCH has decided to discontinue the existing manual endorsement procedure and the revised procedure to be followed by Importer / Customs Brokers in such cases has been given in Public Notice No. 134/2018.	http://www.jawaharcustoms.gov.in/pdf/PN-2018/PN_134.pdf
2)	Public Notice No. 133/2018	26.09.2018	Introduction of “online Out of Charge module” at JNCH for Authorised Economic Operator & Direct Port Delivery Clients	JNCH has taken steps to operationalize the facility to grant “Online Out of Charge (OOC)” at JNCH for AEO and DPD importers by launching “online module” for “Out of Charge” available on DPD JNCH website (www.dpdjnch.com), to provide ease of doing business and reduce import clearance time	http://www.jawaharcustoms.gov.in/pdf/PN-2018/PN_133.pdf

GST RELATED NOTIFICATIONS

CENTRAL TAX NOTIFICATIONS

(<http://www.cbic.gov.in/htdocs-cbec/gst/central-tax-notfns-2017>)

Notification No. / Date	Subject
54/2018-Central Tax dated 9.10.2018	CBIC seeks to make amendments (Twelfth Amendment, 2018) to the CGST Rules, 2017
53/2018-Central Tax dated 9.10.2018	CBIC makes amendments (Eleventh Amendment, 2018) to the CGST Rules, 2017.

CIRCULARS/ ORDERS

(<http://www.cbic.gov.in/htdocs-cbec/gst/cgst-circ-idx-2017>)

Circular No.	Date	Subject
Circular No. 65/39/2018- DOR	14.09.2018	Guidelines for Deductions and Deposits of TDS by the DDO under GST
Order-04/2018-GST	17.09.2018	Extension of time limit for submitting the declaration in FORM GST TRAN-1 under rule 117(1A) of the Central Goods and Service Tax Rules, 2017 in certain cases

PRESS RELEASES

Ministry	Date	Subject
Ministry of Finance	25.09.2018	Finance Minister, Shri Arun Jaitley launches portal www.psbloansin59minutes.com to grant MSME loans within an hour.

REVIEW OF INDIA'S MMF TEXTILES EXPORTS FROM APRIL-AUGUST 2018-19

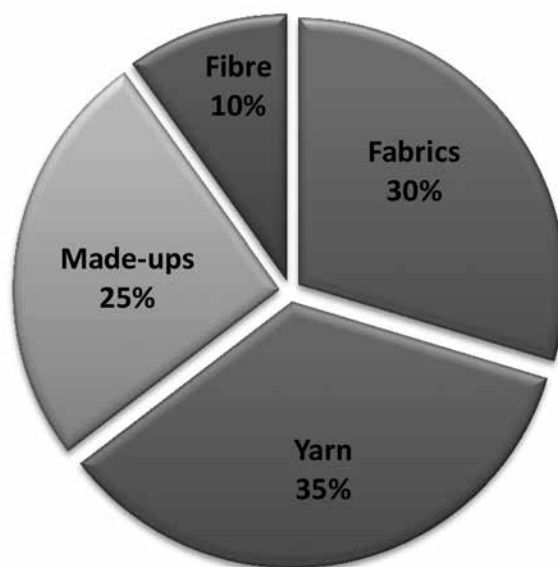
Exports of Indian MMF textiles during April-August 2018-19 were US\$ 2586.44 Million in value terms against US\$ 2487.47 Million, witnessing a growth of 3.98% as compared to the same period of the previous year (SOURCE: MOC)

Product	Unit	in Quantity (Thousand)		% Change Apr-Aug 2018-19	In Value USD Mn		% Change Apr-Aug 2018-19
		Apr-Aug 2018-2019	Apr-Aug 2017-2018		Apr-Aug 2018-2019	Apr-Aug 2017-2018	
Fabrics	Kgs	34492.77	30187.27	14.26	766.81	866.12	-11.47
	Sqm	661770.6	698330.9	-5.24			
Yarn	Kgs.	433083.6	394926.4	9.66	904.27	746.22	21.18
Made-ups	Kgs.	146069.3	119265.1	22.47	659.96	610.06	8.18
	Nos.	39175.95	46718.49	-16.14			
	Sqm	65.57	53.63	22.26			
Fibre	Kgs.	161969	171135.9	-5.36	255.40	265.07	-3.65
Total					2586.44	2487.47	3.98

PRODUCT SHARE

During April-August 2018-19, dominant products in the Indian MMF textiles export basket were Yarn accounting for a share of 35% followed by fabrics 30%, made-ups 25% and fibre 10%.

PRODUCT SHARE (in value terms)



HIGHLIGHTS

- Overall exports in April-August 2018-19 in value terms were US\$ 2586.44 million against US\$ 2487.47 million, witnessing a growth around 4% as compared to the same period of the previous year.
- Exports of Indian MMF Fabrics and fibre witnessed a 11.47% and 3.65% decline respectively during April-August 2018 as compared to the same period of the previous year
- Exports of yarn dominated with 35% share followed by fabrics 30%, made-ups 25% and fibre 10% in the Indian MMF textile exports.
- Share of the value added segments like fabrics and Made-ups have increased around 55% of total exports.
- Other segments witnessed positive growth in exports like yarn 21.18% and made-ups 8.18%.
- In the fabrics segment Synthetic Filament Fabrics (US\$ 243.02 Mn) was the top exported product in India's MMF textile exports followed by Polyester Filament Fabrics (US\$ 160.33 Mn) during April-August 2018-19.
- Viscose Filament Fabrics exports have been excellent with over 100% growth.

- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth US\$ 534.70 Mn followed by Polyester Cotton Yarn (US\$ 78.83 Mn), Polyester Spun Yarn (US\$ 73.49 Mn).
- In Made-ups, exports of Bulk Containers was the leading item with exports worth US\$ 299.04 Mn followed by Shawls/Scarves US\$ 49.47 Mn, Motifs and Muffler worth US\$ 30.36 Mn and US\$ 27.84 Mn respectively.
- Polyester Staple Fibre (US\$ 135.70 Mn) was the leading item in the MMF category followed by Viscose Staple Fibre (US\$ 84.55 Mn).
- USA was the leading market for Indian MMF textiles during April-August 2018-19 with 10% share in total exports followed by Turkey 9% and Brazil 6%.
- Leading markets with positive growth are Egypt (14.18%), Germany (13.63%), Brazil (13.21%), Sri Lanka (9.20%), UK (3.69%) and Italy (2.28%)
- UAE, Bangladesh and USA were the leading markets for Indian MMF Fabrics but UAE and Bangladesh witnessed a decline of 19.58% and 38.51% respective during April-August 2018-19 as compared to the same period of last year.
- USA was also leading market for Indian MMF Made-ups and fibre during the period.
- Major markets for Indian MMF yarn were Turkey and Brazil.
- Made-ups exports to Pakistan showed an impressive growth rate (93.56%)

PRODUCT-WISE EXPORT PERFORMANCE APRIL-AUGUST 2018-19

Value in US\$ Million

Product Description	Apr-Aug 2018-19	Apr-Aug 2017-18	%Grw/Decline
FABRICS (Woven+Non-Woven+Knitted)			
Synthetic Filament	243.02	210.17	15.63
Polyester Filament	160.03	210.51	-23.98
Polyester Viscose	118.99	135.83	-12.40
Polyester Blended	34.74	61.60	-43.60
Synthetic Cotton	19.39	17.61	10.11
Polyester Cotton	17.34	15.29	13.41
Polyester Wool	15.66	17.10	-8.42
Viscose Blended	11.03	24.85	-55.61
Viscose Spun	10.81	60.41	-82.11
Nylon Filament	10.78	9.40	14.68
Viscose Filament	9.88	4.43	123.02
Artificial Filament	6.52	2.57	153.70
Synthetic Blended	6.22	6.43	-3.27
Other Fabrics	102.40	89.92	13.88
Total	766.81	866.12	-11.47
YARN			
Polyester Filament	534.76	432.08	23.76
Polyester Cotton	78.83	64.66	21.91
Polyester Spun	73.49	63.93	14.95
Polyester Viscose	63.48	48.34	31.32
Viscose Spun	32.18	33.11	-2.81
Viscose Filament	21.59	22.12	-2.40
Synthetic Spun	19.78	16.43	20.39
Acrylic Spun	16.84	17.47	-3.60
Nylon Filament	11.05	5.82	89.86
Polyester Wool	9.29	10.89	-14.69
Other Yarn	42.98	31.37	37.00
Total	904.27	746.22	21.18
MADE-UPS			
Bulk Containers	299.04	223.19	33.98
Shawls/Scarves	49.47	50.72	-2.46
Motifs	30.36	35.76	-15.10

Value in US\$ Million

Product Description	Apr-Aug 2018-19	Apr-Aug 2017-18	%Grw/Decline
Muffler	27.84	59.56	-53.26
Fishing Net	25.90	19.90	30.15
Bedsheet	14.27	5.85	143.93
Blanket	12.10	13.21	-8.40
Rope	11.41	9.85	15.84
Sacks and Bags	9.87	4.94	99.80
Bed Linen	7.19	9.22	-22.02
Furnishing Articles	6.27	5.38	16.54
Life Jacket	5.79	5.22	10.92
Other Made-ups	160.45	167.26	-4.07
Total	659.96	610.06	8.18
FIBRE			
Polyester Staple	135.70	98.73	37.45
Viscose Staple	84.55	138.30	-38.86
Acrylic Staple	24.15	18.03	33.94
Others	11.00	10.01	9.89
Total	255.40	265.07	-3.65

*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

Value in USD Mn

Markets	Apr-Aug 2018-19	Apr-Aug 2017-18	Net Change	%Grw/ Decline
USA	260.74	267.10	-6.36	-2.38
TURKEY	237.81	220.50	17.31	7.85
BRAZIL	153.46	135.55	17.91	13.21
BANGLADESH	150.20	170.92	-20.72	-12.12
UAE	136.29	176.36	-40.07	-22.72
GERMANY	71.29	62.74	8.55	13.63
UK	70.50	67.99	2.51	3.69
SRI LANKA	70.25	64.33	5.92	9.20
ITALY	67.25	65.75	1.50	2.28
EGYPT	65.79	57.62	8.17	14.18
BELGIUM	48.85	45.92	2.93	6.38

MAJOR MARKETS FOR MMF FABRICS

Value in USD Mn

Markets	Apr-Aug 2018-19	Apr-Aug 2017-18	Net Change	%Grw/ Decline
UAE	78.70	97.86	-19.16	-19.58
BANGLADESH	70.07	113.95	-43.88	-38.51
USA	68.31	67.00	1.31	1.96
SRI LANKA	57.82	51.45	6.37	12.38
UK	29.24	25.31	3.93	15.53
EGYPT	16.63	12.88	3.75	29.11
SAUDI ARABIA	16.11	19.15	-3.04	-15.87
PAKISTAN	15.30	33.16	-17.86	-53.86
ITALY	11.00	9.54	1.46	15.30

GERMANY	5.65	5.88	-0.23	-3.91
TURKEY	4.03	5.25	-1.22	-23.24
BRAZIL	3.11	2.53	0.58	22.92

MAJOR MARKETS FOR MMF YARN

Value in USD Mn

Markets	Apr-Aug 2018-19	Apr-Aug 2017-18	Net Change	%Grw/ Decline
TURKEY	213.95	180.37	33.58	18.62
BRAZIL	153.46	135.55	17.91	13.21
BANGLADESH	54.41	34.47	19.94	57.85
EGYPT	43.22	36.79	6.43	17.48
USA	32.54	26.83	5.71	21.28
PAKISTAN	18.3	12.14	6.16	50.74
GERMANY	12.19	9.29	2.90	31.22
ITALY	11.06	11.09	-0.03	-0.27
SRI LANKA	9.07	8.15	0.92	11.29
UAE	6.62	9.86	-3.24	-32.86
UK	5.33	5.36	-0.03	-0.56
SAUDI ARABIA	2.69	4.11	-1.42	-34.55

MAJOR MARKETS FOR MMF MADE-UPS

Value in USD Mn

Markets	Apr-Aug 2018-19	Apr-Aug 2017-18	Net Change	%Grw/ Decline
USA	125.09	133.27	-8.18	-6.14
UAE	50.00	68.30	-18.30	-26.79
GERMANY	46.19	39.50	6.69	16.94
ITALY	39.33	36.49	2.84	7.78
UK	34.95	36.14	-1.19	-3.29
SAUDI ARABIA	15.64	15.76	-0.12	-0.76
PAKISTAN	8.71	4.50	4.21	93.56
BANGLADESH	7.09	4.75	2.34	49.26
SRI LANKA	3.30	4.73	-1.43	-30.23
TURKEY	3.27	3.49	-0.22	-6.30
BRAZIL	1.88	2.04	-0.16	-7.84
EGYPT	1.50	1.87	-0.37	-19.79

MAJOR MARKETS FOR MMF FIBRE

Value in USD Mn

Markets	Apr-Aug 2018-19	Apr-Aug 2017-18	Net Change	%Grw/ Decline
USA	34.80	40.00	-5.20	-13.00
BANGLADESH	18.63	17.75	0.88	4.96
TURKEY	16.56	31.39	-14.83	-47.24
BRAZIL	7.55	4.18	3.37	80.62
GERMANY	7.26	8.07	-0.81	-10.04
ITALY	5.86	8.63	-2.77	-32.10
EGYPT	4.44	6.08	-1.64	-26.97
PAKISTAN	2.96	10.00	-7.04	-70.40
UK	0.98	1.18	-0.20	-16.95
UAE	0.97	0.34	0.63	185.29

Continued from page 2

SRTEPC holds its 64th Annual General Meeting in Mumbai

He said that according to the International Monetary Fund latest update on World Economic Outlook, Global growth is projected to reach 3.9 percent in 2018 and 2019, but the expansion is becoming less even, and risks to the outlook are mounting.

Among advanced economies, he stated growth divergences between the United States on one side, and Europe and Japan on the other, are widening. Shri Aggarwal mentioned that growth is also becoming more uneven among emerging market and developing economies, reflecting the combined influences of rising oil prices, higher yields in the United States, sentiment shifts following escalating trade tensions, and domestic political and policy uncertainty. He said that while financial conditions remain generally benign, these factors have resulted in capital inflow reductions, higher financing costs, higher exchange rate volatility, more acute in countries with weaker fundamentals or higher political risks.

He observed that the recently announced and anticipated tariff increases by the United States and retaliatory measures by trading partners have increased the likelihood of escalating and sustained trade actions. These could, he believed derail the recovery and depress medium-term growth prospects, both through their direct impact on resource allocation and productivity and by raising uncertainty and taking a toll on investment. He also felt that this would have impact on global trade in textile & clothing.

Export scenario

Talking on the exports of MMF textiles he said that during the year 2017-18, exports of Indian MMF textiles were at US\$ 6023.98 million as against US\$ 5853.49 million in 2016-17, recording a growth of 2.91%. He expressed satisfaction at the growth of 2.91% registered in exports of Indian MMF textiles during April-July 2018-19 which were US\$ 2026.04 million in value terms as against US\$ 1968.69 million the same period the previous year. He was confident that the export target of US \$ 6600 mn set by the Ministry of Textiles for 2018-19 would be achieved. He expressed full faith in the enterprising nature and spirit of the members notwithstanding the problems and issues He opined that the hard work, determination and enthusiasm of exporters will certainly lead the growth of exports of synthetic textiles by leaps and bounds.

Interactions with the Government

Shri Aggarwal said that he has had several Meetings with Union Ministers viz., Shri Suresh Prabhu, Hon'ble Union Minister of Commerce & Industry, Shri Piyush Goyal, Hon'ble Union Finance

Minister, Smt. Smriti Zubin Irani Hon'ble Union Minister of Textiles to discuss and present of problems before them. He mentioned that he had also met the Secretaries and Joint Secretaries of all these three Ministries and also the GST Council officials on a regular basis to clarify and provide them desired inputs to address issues relating to MMF textiles.

He took the opportunity to express his gratitude to the Hon'ble Prime Minister Shri Narendra Modi, Hon'ble Finance Minister Shri Piyush Goyal, Hon'ble Minister for Commerce & Industry Sri Suresh Prabhu and Hon'ble Union Minister for Textiles Smt. Smriti Zubin Irani for increasing the effective duty on Fabrics from 10% to 20% and Basic Customs Duties (BCD) on Fibres & Yarns to 20% and on Fabrics and Made ups to 25%. He felt that this initiative has provided some protection to the MMF textile segment and encouraged the domestic value added segment that provides employment to a large section of the population in the country.

He was also grateful to the Government for allowing ITC refund on fabrics. He said that the important decision of the Government to give immediate relief to the exporters by extending the Advance Authorization (AA) / Export Promotion Capital Goods (EPCG) / 100% EOU schemes to sourcing inputs etc. from abroad as well as domestic suppliers has given relief to the exporters on capital requirements for procuring the inputs of the exportable products. He thanked the Government for resolving the problem of merchant exporters by putting a duty of 0.1% on any supply from manufacturing to merchant. He expressed his gratefulness to the Government for providing ROSL rates for Made-ups which existed prior to July 1, 2017 on exports effected from July 1, 2017 to September 30, 2017 as a transitional provision on similar lines as in the case of All Industry Rates of Duty Drawback (AIR) so that exporters of Made ups who have quoted to the foreign buyers based on the earlier ROSL rates are not adversely affected.

Export Promotion Initiatives

He remarked that to showcase India's strength and potential in Manmade Fibre (MMF) and MMF textiles, the Council organized 2nd edition of mega event "Source India 2018" where 100 Indian textile companies displayed their latest range of Indian textiles items in an area of around 10000 square meters at Surat International Exhibition and Convention Centre from 21st to 23rd September 2018. He said that Source India 2018 has emerged as the leading man-made fibre textile fair in India. He also informed that Smt. Smriti Zubin Irani, Hon'ble Union Minister for Textiles

inaugurated the event on 21st September, 2018 and that 150 foreign buyers from 34 countries participated in the Event. He was delighted that the event had received overwhelming response and all the participating companies were happy and had given positive feedback.

Speaking on the Export Promotional Activities of the Council he said that the a Textile Delegation, led by Dr. Subrata Gupta, Joint Secretary, Ministry of Textiles, visited Shymkent City, Kazakhstan from April 20 to 23, 2017 to participate in the 4th Meeting of the Joint Working Group on Textiles between India and Kazakhstan in which SRTEPC Executive Director was also one of the members of the Delegation. He stated that during the visit, members of the Delegation had meetings with Mr. Tuimbayev Zhaneit, Government, South Kazakhstan region, Mr. Baurzhan Saldaruli Dzhamalov, Deputy Governor of South Kazakhstan region, Mr. Yermek Sakishev, Chairman of Board Investment Fund of Kazakhstan, Mr. B. S. Dzhamalov, Deputy Akim from the Kazakh.

He informed that during 2017-18 SRTEPC participated in international events such as 49th Federal Trade Fair for Apparel & Textile "TEXTILLEGPROM", Moscow, Russia and 61st edition of Cairo Fashion & Tex in Egypt,

He also informed that the Council had also participated in domestic Fairs like Textiles India 2017 in Gandhinagar, "Textiles in Karnataka" in Bengaluru and ASEAN-India Business and Investment Meet & Expo in New Delhi.

Study to promote growth of Man-made Fibre Textile in India – Road map to Identify gaps and suggest measures

Speaking on the "Study to promote growth of Man-made Fibre Textile in India – Road map to Identify gaps and suggest measures" announced by the Hon'ble Union Minister of Textiles during the Export Award Function he said that on her directions, the Textile Commissioner and SRTEPC have prepared the Terms of Reference (TOR) for the Study and finalised in coordination with the MOT. He stated that thereafter, a Monitoring and Evaluation Committee was constituted under the Chairmanship of Textile Commissioner and the Expression of Interest (EOI) for the Study was launched by the Hon'ble Union Minister of Textiles during "Textiles in Karnataka" at Bengaluru held on 11th March 2018 in the presence of Shri Sadanand Gowda, Hon'ble Union Minister of Statistics and Programme Implementation and Shri Ananth Kumar, Hon'ble Union Minister of Parliamentary Affairs and Chemicals & Fertilizers. Accordingly, M/S Gherzi Textile Organisation AG, Zurich was selected for the Study. He said that he has been informed that the Textile Commissioner had sent the proposal to the Ministry of

Textiles for sanction of funds which is still awaited.

He believed that the findings of the study will give the MMF textile industry a roadmap to identify gaps and suggest measures. He also claimed that the Study will be a standard for shaping up the Man-made Fibre textiles segment in the country. Shri Aggarwal was confident that the would help us understand the successful strategies of countries in this sector such as China, Indonesia, Vietnam, Bangladesh and Cambodia, enhance production and consumption of MMF textiles, bring innovations to cater to consumer requirements in this segment, improve the competitiveness of Indian MMF textiles - both in domestic and export markets and help India emerge as the leading country in the production and exports of Man-made Fibres textiles.

Policy issues

Dwelling on the policy issues he felt that in the prevailing global and Indian economic scenario policy interventions have a big role to play in stimulating textile industry and growth of exports. He said that he has been representing about our concerns at various fora and putting forth our proposals for remedial action.

According to Shri Aggarwal some of the issues boggling the Indian MMF textile industry were fiscal anomalies, high interest cost and shortage of the working capital.

Role of Government

Shri Aggarwal felt that the Government can help in enhancing the growth and competitiveness of the MMF textile segment both domestically and internationally with various policy supports such as:

- Domestically for this capital intensive and decentralised sector being predominance of MSMEs, it is suggested that the Government needs to lend a big hand by way of bringing in needed fiscal and non-fiscal reforms for MMF.
- There must be fibre neutrality and policy parity between fibres.
- Procedures may be simplified to be user friendly.
- Refunds (IGST/ITC) to the exporters/ business may be in the line with China's Model.
- Ensure full refund of indirect taxes, including customs duties by ways of increasing Duty Drawback rates and covering yarn and fabrics in the ROSL Scheme.
- Widen the scope of intermediate input taxes eligible for refund.



Shri Sri Narain Aggarwal, Chairman, SRTEPC felicitating Shri Praveen Kumar S. Sadh with a memento for his long standing association of 23 years as the member of the Committee of Administration.

- MEIS reward rates need to be increased to 5% on exports of all the MMF textile products and entire MMF textile tariff lines need to be included in the MEIS Scheme.
- Protect domestic MMF/ MMF yarn manufacturers by increasing Effective Duties on imported MMF and MMF yarns.
- WTO compatible Schemes need to be devised. Infrastructure, production and skill development related Schemes such as TUFs, SITP, SAMARTH, ROSL, etc. need to be strengthened.

In the international arena,

- Government can make our textile products more competitive by ways of concluding beneficial trade agreements bilaterally or multilaterally. Government can pursue with other countries or group of countries to have Free Trade Agreements by offering duty free market access to our textile products. Some of these agreements which are in the pipe lines are India – EU FTA, Regional Comprehensive Economic Partnership Agreement (RCEP), India-SACU Preferential Trade Agreement (PTA), India-MERCOSUR Preferential Trade Agreement (PTA), India-Thailand Comprehensive Economic Cooperation Agreement (CECA), India-Indonesia Comprehensive Economic Cooperation Agreement (CECA), India - New Zealand Comprehensive Economic Cooperation Agreement, India-Canada Comprehensive Economic Partnership Agreement (CEPA), India-Australia Comprehensive Economic Cooperation Agreement (CECA), etc.
- Many countries are imposing Non-tariff barriers (NTBs) such as Anti-Dumping, Anti-Subsidy, safeguard measures, etc. to

protect their domestic industries. Such measures by large MMF Textile consuming countries are coming in the way of exports. It is difficult for the small exporters to fight these cases overseas. The Government should sanction grants to the EPCs to fight trade restrictive measures such as Anti-dumping, NTBs, etc. on behalf of the exporters.

- The proactive policy interventions and ongoing schemes will substantially help in increasing competitiveness of the MMF textiles industry in the country to ensure integrated progress

Thank you!

Shri Aggarwal took the opportunity to place on record his gratitude to everybody in the Ministry and hoped that with their support the MMF textile exports would touch greater heights.

Felicitations

On the occasion of the 64th Annual General Meeting, Shri Praveen Kumar Sadh, one of the oldest and long standing members of the Committee of Administration was presented a memento by Shri Sri Narain Aggarwal, Chairman, SRTEPC for his long association of 23 years with the Council.

Vote of thanks

Proposing a Vote of thanks, Shri Ronak Rughani, Vice Chairman thanked Shri Sri Narain Aggarwal. He also thanked the former Chairmen of the Council for their active involvement and unstinted support and guidance to all the activities of the Council.

He thanked the members of the Committee of Administration for their presence and their continued contribution to the deliberations of the Council. He said that the Council is indebted to them for their sincere participation in all its activities and look forward to their whole-hearted involvement in all its forthcoming Functions.



A view of the members at the 64th Annual General Meeting.

SRTEPC Delegation Met Shri Suresh Prabhu, Hon'ble Union Minister of Commerce, Industry and Civil Aviation, Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles and Shri Yogendara Garg, Additional Director General, GST Council, in New Delhi on 8th October, 2018

SRTEPC delegation comprising of Shri Sri Narain Aggarwal, Chairman, SRTEPC, Shri Ronak Rughani, Vice-Chairman and Shri S. Balaraju, Executive Director met Shri Suresh Prabhu, Hon'ble Union Minister of Commerce, Industry and Civil Aviation, Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles and Shri Yogendara Garg, Additional Director General, GST Council, separately in New Delhi on 8th October, 2018 and apprised them on issues related to Export Promotion and GST for MMF Textile Segment.



The SRTEPC Team submitted representations to the Union Ministers on the following issues pertaining to RoSL, MEIS etc.

1. RoSL Scheme to be extended to yarns and fabrics segment also and 6% RoSL rate to be considered for rebate on yarns and fabrics exports.
2. All MMF textile products including fibre, yarns, fabrics and made-ups to be covered under MEIS and increase reward rates upto 7%.

The following GST issues were also discussed with the Hon'ble Union Minister and submitted a representation requesting him for addressing the same on priority basis.

- i) Refund of Input tax credit availed on input services.
- ii) Inclusion of MMF textile products falling under equal or lower rate of GST
- iii) Refund of IGST on capital goods.
- iv) Clarification on ITC Lapse mentioned by the Government through Notification No.20/2018-CTR dtd. 26-07-2018.
- v) Removal of Double Taxation on Ocean Freight.
- vi) Immediate refund of accumulated Input Tax credit.

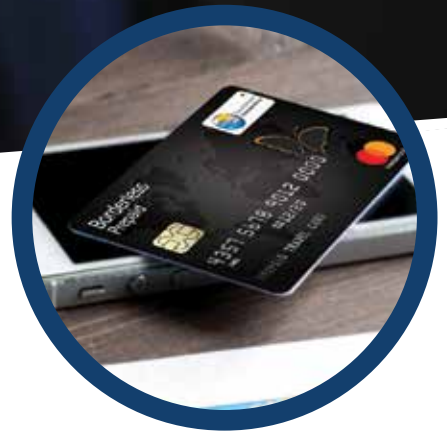
For having due consideration on these issues, the Shri Suresh Prabhu, Hon'ble Commerce Minister called Shri Amitabh Dwivedi, Deputy Secretary, Department of Commerce, and suggested him to follow up the matters with DoC, GST Council and DIPP for appropriate actions.

Smt. Smriti Zubin Irani, Hon'ble Union Minister for Textiles assured that all possible cooperation will be extended by the Ministry to sort out the above issues and promote exports of MMF textiles.

The above mentioned GST issues were also discussed with the Shri Yogendara Garg, Additional Director General, GST Council and requested for taking up with appropriate authorities and issuing necessary clarifications/ instructions in the interest of the MMF textile segment.



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