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SRTEPC'S CONTINUOUS EFFORTS THROUGH EXPORT PROMOTIONAL INITIATIVES POISED TO ENHANCE INDIA-RUSSIA TEXTILE TRADE

The Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) has successfully organized participation in the 49th Federal Trade Fair for Apparel & Textile "TEXTILLEGPROM" in Moscow, Russia

Shri Rudrappa Munappa Lamani, Hon'ble Textile Minister of Karnataka (centre); to his left Shri Anant Kumar Singh, Secretary Textiles and to his right H.E. Shri Pankaj Saran, Ambassador of India to Russia jointly inaugurating the "India Pavilion" at the TEXTILLEGPROM.

Consecutively for the 2nd time, the Ministry of Commerce and Industry and Ministry of Textiles, Government of India, entrusted the Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) to organise participation in the "Textillegprom", Moscow, Russia. This year, SRTEPC jointly with Federation of Indian Chambers and Commerce and Industry (FICCI) has organized participation of 95 Indian textile companies in the 49th edition of "Textillegprom", Moscow, held from August 29 to 1 September 2017.

Forty five textile companies participated through the Council and displayed their latest range of textile products, including various yarns, fabrics like shirting and suiting, fabrics for trousers, woven fabrics, denims, hand embroidered fabrics, Muffler, Shawls/Scarves, dress materials, readymade garments, etc. at an area of 339 sqm. (of total SRTEPC & FICCI combined area of 669 sqm.) demarcated as "India Pavilion" in Hall No. 75 A in the All Russian Exhibition Centre at VVC, Estate 119, Mir Prospect, Moscow, 129223.

Inauguration

The India Pavilion was inaugurated by Shri Rudrappa Manappa Lamani, Hon'ble Textile Minister of Karnataka, Government of Karnataka, Shri Anant Kumar Singh, Secretary, Ministry of Textiles, Government of India, HE Shri Pankaj Saran, Ambassador, Republic of India in the Russian Federation, Mr. Alexander A. Kruglik, CEO of Yarmarka Ltd.. Shri Sri Narain Aggarwal, Chairman, SRTEPC, Shri Anil Rajvanshi, Convenor & Immediate Past Chairman, SRTEPC and Shri Vivekanand Kodikal Lt Col (Retd), Regional Director (Trade Fairs), FICCI

During his Inaugural Speech, Shri Anant Kumar Singh, Secretary, Ministry of Textiles, Government of India, informed the gathering that this year is the largest ever Indian Textile delegation to

Shri Sri Narain Aggarwal, Chairman, SRTEPC speaking at the Inauguration of the 49th Federal Trade Fair for Apparel & Textiles – TEXTILLEGPROM.

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PRINTER, PUBLISHER & EDITOR : V. ANIL KUMAR

EDITORIAL TEAM : SRIJIB ROY, KRIPABAR BARUAH, MURALI BALKRISHNA

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

REGIONAL OFFICES :

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

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

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Editor: **V. ANIL KUMAR**

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Dear Member,

I am glad to inform you that once again there is good news on the export front with data showing a double digit growth of 10.3% in August 2017. It is encouraging to note that textiles is also one of the sectors which has shown positive growth during August 2017. Exports which had made a recovery in the last 12 months had dropped to an eight month low in July. The fall in exports during July had been attributed to the rupee appreciation and the introduction of Goods & Service Tax (GST). But now things look bright and upbeat. The latest data of the Ministry shows that exports of Man-made fibre (MMF) textiles was to the tune of US$ 1487.73 million during the period April-June 2017-18 as compared to US$ 1424.98 million of the same period the previous year registering a growth of 4.40%. This clearly indicates that the export scenario is steadily on the path of improvement and hopefully this trend will continue for the months to come. The encouraging news is that except for yarn which showed a decline of 1.84%, all the other products i.e. fabrics, made-ups and fibre witnessed growth of 7%, 6% and over 12% respectively. The US was the top most market for exports of MMF textiles followed by Turkey and UAE ranked third. I am optimistic that exports of MMF textiles will further recover in the days to come however it is unlikely that the target will be achieved.

Since its implementation in July the Goods and Services Tax has had mixed impact. The MMF textile industry has been hit hard due to the highrates of GST. In this context I have urged the government to reduce GST on man-made fibre and yarn to 12% from the present 18% since higher levy of GST will coerce Indian producers to source yarn and fabrics at a cheaper rate from China and Indonesia. I have also requested the Finance Minister, Shri Arun Jaitley, Textile Minister, Smt. Smriti Irani, Textile Secretary, Shri Anant Kumar Singh and Revenue Secretary Dr. Hasmukh Adhia to look into the matter as it is hurting the small fabric manufacturers in power loom, knitting and processing segments. It also prevents seamless flow of input tax credit thereby breaking the whole value chain.

The GST Council's move to slash the rate on job work like weaving, cutting, knitting and embroidery to 5% from 18% as decided earlier is a welcome move and offers a big breather to small job work manufacturers in all segments which will allow free flow of business across the entire Textile value chain.

As you are aware, supplies of goods and services for exports under the GST regime have been categorized as "Zero Rated Supply" implying that goods can be exported under Bond or LUT (Letter of Undertaking) without payment of IGST (Integrated GST) followed by claim of refund of unutilized input tax credit or on payment of IGST with provision for refund of the tax paid. You may be aware that Merchant exporters cannot get goods from the manufacturers without payment of GST for exports under Bond/LUT, since there is no enabling document prescribed so far by the Government under which goods can be cleared by a manufacturer without charging IGST meant for exports by a merchant exporter against Bond/LUT. In the absence of such a provision, the manufacturers charge GST on the goods supplied by him to the merchant exporter for exports under Bond/LUT. While merchant exporters are eligible to take ITC of the GST paid to the manufacturers and claim refund after exports, the requirement of paying the GST first and claiming refund subsequently lead to blockage of funds.

I have informed the Government that in the erstwhile Central Excise regime, there was a facility under which a merchant exporter who has executed a Bond (B-1 Bond) was provided with C.T.1 certificates. The manufacturers supplied the goods without charging Central Excise duty to the merchant exporters against the C.T.1 certificates. I have requested the Government to recommend to the GST Council to introduce similar facility (enabling document which can be given by the merchant exporters to the manufacturers) so that the merchant exporters exporting under Bond/LUT can get GST free goods from the manufacturers for exports. I have also requested to the Government for an exemption to those exporters holding a valid membership with an Export Promotion Council from furnishing Bank Guarantees.

It is my sincere request to the Government to extend the Rebate of State Levies (ROSL) Scheme to the exports of entire MMF Textile Value chain especially to yarn and fabrics so that MMF Textile exporters can avail the benefit. This will create new jobs, attract investments and increase exports.

I have also brought to the notice of the Government, the issue of not allowing refund of accumulated input tax credit under GST for Textiles Sector as it has affected the entire weaving, processing, embroidery and job works segments also, which are the weakest segment in the textile value chain. In the present GST regime, forgoing the accumulated input tax credit has created a huge loss to the MMF Textile Industry and has indirectly added to the cost of product being sold. This has further resulted in making MMF fabrics becoming uncompetitive, and also affected the domestic fabrics production. I proposed that Accumulated Input Tax Credit should be refunded to weavers and other segments in the entire textile value chain that pays Input Tax Credit.

There are reports regarding the discontinuation of the Duty Drawback Scheme from the end of September 30th, 2017. The above decision, if taken, would aggravate the situation for the textiles exporters who are already reeling under the combined impact of a slowdown in major markets and rising input costs. My earnest request to the Government is for an extension of the Duty Drawback Scheme to boost exports of MMF Textiles and make it competitive in the International Market since majority of our MMF Textile exporters operate under the Drawback scheme. In the interest of the Country's exports, I request the Government to continue with the scheme without any major changes till an alternative scheme is put in place. I look forward to the Government for its continued support and co-operation so that exports of Synthetic textiles can grow and achieve its true potential.

I am glad to inform you that the Council has successfully organized participation of its member companies in the 49th Federal Textile Trade Fair for Apparel & Textiles – TEXTILLEGPROM held in Moscow, Russia during 29th August – 1st September 2017. The Fair was jointly organized with FICCI and 45 member companies participated in the Fair. Indian companies had displayed in a specially demarcated area named "India Pavilion" which was inaugurated jointly by Shri Rudrappa Manappa Lamani, Hon'ble Textile Minister of Karnataka, Government of Karnataka, Shri Anant Kumar Singh, Secretary, Ministry of Textiles, Government of India, HE Shri Pankaj Saran, Ambassador, Republic of India in the Russian Federation and Mr. Alexander A. Kruglik, CEO of Yarmarka Ltd. The Fair helped Indian companies establish contacts, receive trade enquiries, etc. Initial reports suggest that around US$ 10 million worth of business is under negotiation. I would like to take this opportunity to thank the Hon'ble Textile Minister of Karnataka and the Secretary Textiles for inaugurating the India Pavilion and interacting with the participants. I would also like to thank Ambassador, Embassy of India, Moscow and the CEO of Yarmarka. I also express my gratitude to the entire team of the Embassy of India, Moscow and the organisers for their active support and guidance in making the Fair a success.

I would once again like to remind members who have not renewed their membership to do so at the earliest to continue receiving our services uninterrupted.

With warm regards,

Yours sincerely,

SRI NARAIN AGGARWAL
CHAIRMAN
The Synthetic & Rayon Textiles Export Promotion Council

PAKISTAN

Textile exports up 3% in July 2017

Textile exports rose around three percent year-on-year to US$1.006 billion in July as the government's incentive package for the export sector seemed to revive the wilting foreign exchange revenue spinner. Textile exports in the same month last year were to the tune of US $979.414 million.

However, exports of textiles fell 17.34 percent from US$1.217 billion in June 2017. Exports of Readymade garments posted a major growth of 20.47 percent year-on-year to $212.521 million in July. Its exports, however, dropped 12.53 percent from $242.951 million in the preceding month.

Exports of bed wear remained flat at $170.443 million in July over the last year. Bed wear exports declined 18.55 percent from $209.258 million in June 2017. In July, knitwear exports decreased 5.8 percent year-on-year and 24 percent month-on-month to $193.749 million.

In January, the government unveiled an incentive package of Rs. 180 billion for our exporters to boost the country's exports to around three billion dollars by end June 2018. Under the package, sales tax and customs duty on import of textile machinery and cotton have been abolished. The country's total exports between 2013 and 2015 declined by more than 12 percent.

Source : The News International

ETHIOPIA

Textile exports to touch US$ 271 million in the current fiscal year

Ethiopia has earned US$89.3 million and created 17,000 jobs in the textile sector during fiscal 2016-17 and the country plans to earn US$271 million from textile exports and create 30,000 jobs in the current fiscal. It is reported that the target warrants more efforts by private investors along with government incentives.

The Ethiopian fiscal year runs from July 8 to July 7.

It is believed that limitations in production capacity, product diversification, raw material, market linkage , project delays and lack of export discipline were the major challenges for export performance.

It is also believed that despite relatively lower performance, Ethiopia plans to become the top textile manufacturing and exporting country in Africa and is building several industrial parks.

The government has keen interest to support the sector in order to generate foreign exchange, create wide job opportunities for many Ethiopians and to increasing quality textile product.

Source : Fibre2fashion

HONDURAS

New destination for textile and apparel investment

Under the framework of the Economic Development Programme, Honduras 2020, the Central American country is aiming to become textile export leader in the Americas, exporting UJS$7.4 billion of products to the US and Europe. This will be achieved through a textile hub with world class talent that pushes the frontiers of knowledge in sustainable development of textiles.

Honduras is the new destination for textile and apparel investment, announces Honduras 2020, a solid platform of facilities and benefits articulated with the purpose of promoting foreign investment and ventures with outstanding conditions that are strengthened every day.

The existing textile and apparel industry infrastructure in Honduras has outstanding conditions for investment and expansion opportunities. There are 18 industrial parks that together have a construction area of more than 1.8 million square metres, and advantages like availability of airports, ports, highways, telephones, water and electrical supply, customs paperwork, low working costs, machinery and logistics.

Owing to its competitive advantages, Honduras's textile industry has recently attracted an investment of $78 million in a synthetic yarn plant, which is expected to manufacture 20,000 tons annually.

In the last few years, the largest roof solar panel installation in Latin America has been implemented in Honduras. It has an installed capacity of 7.5 megawatts of clean energy. The textile and apparel industry has the capacity of biomass production as well as wastewater management technologies allowing high productivity in a sustainable manner.

According to the Honduran Manufacturers Association (AHM), the current investment in the country's fabric and clothing manufacturing is estimated to be around $7.8 billion. Focused on corporate social responsibility, AHM also promotes training initiatives, housing access opportunities, safety and occupational health standards, and also a new pilot project of child care centres. This provides residential areas with security, stability and comfort for the textile and garment sector employees and their families.

Source : Fibre2fashion

SRI LANKA

Textile and clothing exports fall 5.2% in the first six months of 2017

Continuing with the previous month's negative trend, Sri Lankan export earnings from textiles and garments dropped 7.5 per cent in June 2017. Cumulative exports for the first six months of 2017 fell 5.2 per cent to $2.383 billion compared to exports of $2.514 billion in the same period of last year, it has been reported.

In June 2017, Sri Lanka exported textiles and garments worth $398.1 million, as against export earnings of $430.2 million in June. The fall in export earnings during the month reflects "a decline in garment exports to the US and EU markets".

During January-June 2017, clothing exports alone accounted for $2.244 billion, down 5.6 per cent year-on-year.

Textiles and apparel constituted 58.62 per cent of earnings received from all industrial exports made by the South Asian nation during the six-month period, the data showed.

Meanwhile, Sri Lanka's expenditure on imports of textiles and textile articles also decreased 3 per cent year-on-year to $1.306 billion in January-June 2017, as against imports valued at $1.346 billion in the corresponding period of the previous year. This was despite a modest growth of 1.7 per cent in June 2017.

Sri Lanka earned $4.884 billion in textiles and apparel exports in 2016, registering a growth of mere 1.3 per cent year-on-year. Of this, clothing exports alone accounted for $4.602 billion, up 1 per cent over previous year's earnings of $4.555 billion.

Source : Fibre2fashion

TAIWAN

Exports of textile improves in July 2017

Taiwan's textile exports demonstrated sound recovery signals in July amid improving industry sentiment. This has offered a positive outlook for the remaining months this year, with expectations that the country's textile and fabric makers may benefit from rising demand ahead of next year's FIFA World Cup in Russia.

Some fabric makers are expected to secure large orders of sports apparel from global brands.

Several other top manufacturers have also expressed optimism about revenue and earnings picking up in the second half of this year.

The average selling price increased from $4.3 to $4.73 in July and textile exports rose 0.73 percent year-on-year to $814.7 million from the same month last year, according to the federation. The 0.05 percent year-on-year increase in the first seven months is an improvement from a 0.04 percent annual decline in the first six months this year.

Source : Fibre2fashion

USA

Highest market for Balinese textile products

Balinese textiles have been highly praised in several countries, because the products are produced manually instead of machines. United States of America, Singapore, and Australia are three of the largest markets for the Balinese textile products.

According to data US market has absorbed about 23.11 percent of non-knit textile products, worth US$5.240 million, exported by Bali province in July.

The US market was the highest consumer of Balinese textiles; followed by Singapore, with 14.29 percent; Australia, with 9.30 percent; and Hong Kong, with 6.29 percent.

Apart from the non-knit textiles, the Balinese handmade goods were also exported to France (6.56 percent), Spain (4.01 percent), Japan (0.68 percent), China (0.62 percent), the Netherlands (1.07 percent), and Germany (1.75 percent). The other 31.02 percent of the handmade products were distributed to other states across the world.

However, in July 2017, the number of exports, mainly in textiles, has declined by 15.87 percent, or worth US$988,739, compared to the previous month.

Meanwhile, compared to the similar month last year, the figure has marked a slight growth of US$76,352, or 1.48 percent. In July 2016, the province exported textiles worth $5.146 million.

Textile products contributed to 13.75 percent of the overall $38.126 million exports in the province. Despite the increase in number of some commodities, the total exports in the province have decreased by 25.01 percent, or US$12.71 million.

Source :Yarnsandfibers

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Exports buoyant in August; up by 10.3%

India's exports grew 10.3% in August to $23.8 billion due to a recovery in global demand which helped India's exports to rebound in August after slowing in July. However, imports outpaced exports and grew 21%, widening the trade deficit to $11.6 billion from $7.7 billion in the year ago period.

Traditional sectors like leather, spices, drugs and pharmaceuticals, engineering goods and textiles registered a rise in outward shipments.

India's exports growth slowed to an eight-month low in July, weighed down by appreciation in the rupee and goods and services tax (GST) regime-related disruptions.

Total exports in April-August 2017-18 posted a growth of 8.57 per cent to $118.57 billion.

India's healthy exports growth has come at a time when China's outward shipments grew 5.5% in August.

Source : The Economic Times & Business Line

India-Uzbekistan to strengthen bilateral ties

The then Commerce Minister Ms. Nirmala Sitharaman recently said that India has suggested setting up and activation of a private industry led-Joint Business Council to develop and enhance business relations at all levels with Uzebekistan including investments, trade in goods and services such as education and health.

The then Commerce Minister held bilateral talks with visiting the Uzbek Foreign Minister Mr. Abdulaziz Kamilov and Foreign Trade Minister Mr. Elyor Ganiev recently to discuss deepening trade and economic ties between the two countries.

She said that if the draft agreement under negotiation between India-CIS Chamber of Commerce and Industry and Uzbek Chamber of Commerce is quickly finalised and the Joint Business Council commences work, then it would be a very positive development for enhancing bilateral economic and trade relations.

The ministers underlined the high importance of transport and logistics infrastructure for strengthening bilateral trade ties.

Ms. Sitharaman also urged for reduction of import duty on among others on fabrics and made-ups (up to 30 per cent), reduction in higher MFN duty on Ready Made Garments (RMG) products which is 31.1 per cent and simplifying the procedure for registration and certification.

She said that existence of Non-Tariff Barriers such as import quotas and licensing, price and foreign exchange control, complex customs and administrative procedures, harsh sanitary norms and outright border closures have also been limiting inter-regional trade.

She also sought simplified procedures for granting visa to Indian businessmen and tourists and expressed the hope that if visa issues are resolved, tourism will also receive impetus in both countries.

It is also believed that the Uzbek government was seriously working to liberalise and simplify various procedures, systems and norms and expressed hope that most of difficulties faced by exporters would get resolved shortly.

Source : The Financial Express

Self sealing of cargoes from October 1

The Customs department has allowed self-sealing procedure from October 1 for containers to be exported, as it aims to move towards a 'trust based compliance environment' and trade facilitation for exporters. In a circular to all Principal Chief Commissioners, the Central Board of Excise and Customs (CBEC) said exporters who were availing facility of sealing at the factory premises under the supervision of customs authorities will be automatically entitled for self-sealing facility. It said that permission once granted for self-sealing at an approved premise will remain valid unless withdrawn. However, in case of change in the premise, a fresh approval from Customs department will be required.

The CBEC has informed that the new self-sealing procedure shall come into effect from October 1, 2017. Till then the existing procedure shall continue.

The field officers have been asked to notify a Superintendent-rank officer to act as the nodal officer for the self-sealing procedure. The officer will be responsible for coordination of the arrangements for installation of reader-scanners. Earlier in July, the

CBEC had said it will introduce the system of self-sealing by September 1, as against the practice of sealing of containers under the supervision of revenue officials. However, the CBEC now said that exporters can self-seal containers using the tamper proof electronic seals from October 1.

Under the new procedure, the exporter will have to declare the physical serial number of the e-seal at the time of filing the online integrated shipping bill or in the case of manual shipping bill before the container is dispatched for the port. The exporters will directly procure RFID seals from vendors. In case, the RFID seals of the containers are found to be tampered with, then mandatory examination would be carried out by the Customs authorities.

From October 1, the exporters will need to furnish e-seal number, date of sealing, time of sealing, destination customs station for export, container number and trailer track number to the customs authorities. In a circular in July, the CBEC had said it endeavours to create a trust based environment where compliance with laws is ensured by strengthening risk management system and Intelligence setup of the department. Accordingly, CBEC has decided to lay down a simplified procedure for stuffing and sealing of export goods in containers.

Source : The Financial Express

Efforts to be made by the Government to boost exports, says Hon'ble Union Minister of Commerce & Industry

The government will look at ways to promote exports in the "shortest possible time'' by mitigating GST regime challenges faced by exporters and by providing support that could facilitate increase in both value and volume of outbound shipments, said the new Hon'ble Union Minister of Commerce & Industry, Shri Suresh Prabhu.

Shri Prabhu said that India's export-to-GDP ratio has to go up in order to increase capacity utilisation of existing manufacturing units. Exports have great ability to generate economic activity by its own steam. .

The Hon'ble Minister said that he was aware of the issues that the exporters are facing in the GST regime and would work to mitigate them.

The Ministry will also work on a support package that could increase both value and volume of exports.

Fresh measures to boost exports could be part of the mid-term review of the 5 year Foreign Trade Policy. Although exports in 2016-17 posted an increase of 4.71 per cent to US$274.64 billion after two years of continuous decline, growth has started decelerating again. In July 2017 export growth slowed down to 3.9 per cent to US$22.5 billion.

A new industrial policy to support the 'Make in India' initiative of the government will also be announced soon.

Source : Business Line

Exporters to face the brunt due to development with hike in per capita income

The good news is that India's per capita income has gone up, and stayed up. The bad news, going by a recent notification of the World Trade Organization (WTO), is that the country can no longer offer export subsidies, as its per capita gross national income (GNI) has crossed US$1,000 for the third year in a row.

The development could deal a further blow to exports from the country, which posted weak growth last year after two consecutive years of decline due to low demand.

The first scheme that could come under the WTO scanner is the popular Merchandise Export from India Scheme (MEIS), which provides a direct subsidy to exporters based on the value of exports.

Almost all exports, ranging from textiles to agriculture products, stand to be affected as the scheme covers more than 7,000 items and costs the exchequer around ₹ 23,500 crore a year.

A team of officials from the Permanent Mission of India at the WTO held discussions with the Hon'ble Union Minister of Commerce and Industry Shri Suresh Prabhu, Commerce Secretary Ms. Rita Teaotia and officials from the Trade Policy Division on how the situation could be tackled.

Other schemes that could also get affected, subject to interpretation of the WTO rules, are the interest subvention scheme under which banks charge lower interest on loans given to exporters, which is offset by the government, and the duty-drawback scheme where exporters are refunded duty paid on inputs.

The WTO rules also consider the revenue that is otherwise due to the government but is foregone or not collected, such as tax credits, as subsidy. Some members may also insist that India's interest subvention scheme and duty-drawback scheme qualify as subsidies.

The Commerce Ministry, which is supposed to announce the mid-term review of the Foreign Trade Policy this month, will be in a fix about whether to make any addition to the MEIS scheme as it could draw immediate criticism from other countries. It would also find it difficult to replace the existing MEIS schemes with production subsidies, which are allowed by the WTO.

Source : Business Line

Tax refunds under the Duty Drawback Scheme stopped by State Governments

Exporters say that the State governments have effectively stopped paying tax refunds under the Duty Drawback Scheme (DDS), compounding their liquidity issues

Since the Goods and Services Tax (GST) regime was introduced on July 1, they allege, getting refunds for the state component of the levy has become very difficult under the Duty Drawback Scheme, with the requisite mechanism not in place.

Duty Drawback Scheme seeks to rebate the duty or tax chargeable on any imported or excisable material or input services used in the manufacture of export goods. Customs and Union excise duties in respect of inputs and service tax in respect of input services are neutralised under the scheme.

The Central Board of Excise and Customs, which administers the Duty Drawback Scheme, had decided to extend it for three months once GST was introduced. This was after exporter bodies had represented that the scheme seamlessly reimbursed the tax incidence on input and input services. However, to avail of the benefits, exporters should not claim input credit under GST, the government had warned at the time.

Till now, a severe crunch in liquidity under the GST regime had been flagged by exporters as the most challenging issue. Their costs have risen by up to 1.25 per cent (Freight On Board value) after GST implementation, according to their calculations. The figure is changing as late refunds pinch smaller players hard and even larger entities have difficulty over streamlining of operations, they say.

A similar issue is playing out over duty scrips, the scope of which has been reduced as a tax paying instrument. Exporters earn duty credits in the form of scrips at fixed rates of two, three and five per cent on despatch of shipments, depending on product and country. The earned scrips may be freely transferred to others or sold.

In August, the government had instituted a 12 per cent tax on sale of scrips received for incentive schemes such as the Merchandise Export from India Scheme (MEIS), for the first time.

Scrips received by exporters under the Services Exports from India Scheme and the Incremental Export Incentivisation Scheme, apart from the MEIS, will be taxed.

The government's tax move was rapped by exporters, who said this had no justification and would hit their shipments. Subsequently, the GST Council last week announced that this was being reduced to four per cent. However, while scrips were allowed to be utilised for the payment of excise, service tax and value added tax before GST, this may now only be done for payment of basic customs duty.

Both duty drawback and scrips are to be discussed by exporters with the newly constituted committee to look into their GST concerns. After a similar committee headed by the Commerce Secretary Ms. Rita Teaotia tried to address their major grouses, the GST Council has now decided to form a similar committee, headed by the Revenue Secretary Shri Hasmukh Adhia.

Source: Business Standard

HIGHLIGHTS OF THE ACTIVITIES OF THE COUNCIL IN AUGUST 2017

MEMBERSHIP (2017-18)	TOTAL	NON-SSI	SSI
Total No. of members as on 31st August 2017	2553	1210	1343

Trade Enquiries

Local enquiries : 08

Overseas enquiries:

Peru - 01

Forthcoming Exhibitions/events

INTEXPO EGYPT located at Cairo Fashion & Tex, 13th -16th September 2017

Thirty-two companies have confirmed participation in INTEXPO Egypt located at Cairo Fashion & Tex, Cairo, Egypt.

FEDERAL TRADE FAIR, MOSCOW, RUSSIA, 29th August – 1st September 2017

- The Federal Trade Fair, Moscow, Russia was successfully held during 29th August – 1st September 2017.
- Forty-five companies took part in the Fair through the Council.
- The India Pavilion was inaugurated by Shri Rudrappa Manappa Lamani, Hon'ble Textile Minister of Karnataka, Government of Karnataka, Shri Anant Kumar Singh, Secretary, Ministry of Textiles, Government of India, HE Shri Pankaj Saran, Ambassador, Republic of India in the Russian Federation, Mr. Alexander A. Kruglik, CEO of Yarmarka Ltd.. Shri Sri Narain Aggrawal, Chairman, SRTEPC, Shri Anil Rajvanshi, Convenor & Immediate Past Chairman, SRTEPC and Shri VivekanandKodikal Lt Col (Retd), Regional Director (Trade Fairs), FICCI.
- Around 300 Russian importers/buyers/agents visited the stalls and enabled the participants to establish contacts, receive trade enquiries, etc.
- Most of the participating companies were successful in receiving trade enquiries for their products.
- It is reported that the total estimated amount of business under negotiation is to the tune of around US$ 10 million.

Annual General Meeting

The 63rd Annual General Meeting of the Council will be held on Thursday 28th September 2017 at Hotel Vivanta, Cuffe Parade.

Certificate of Origin

Mumbai Office :

Delhi Office : 05

Surat Office : 24

Presentation Meeting organized by SRTEPC on Pre-Exhibition Visit to Moscow in connection with TEXTILLEGPROM, Moscow, Russia

The Council along with FICCI organized participation of 100 member-companies in the Federal Trade Fair for Apparel & Textiles "TEXTILLEGPROM" in Moscow, Russia during 29th August – 1st September 2017. In this connection a senior Officer of the Council was deputed to Moscow, Russia for an advance visit with the following objectives :

- To have a thorough understanding of the Russian market for fruitful participation of member-companies.
- To present import product and market analysis.
- Meet trade representative of the Embassy of India in Moscow, Russia.
- Meet prominent local textile unions.
- Meet importers and agents of fabrics and other textiles from India and other countries as well as the organizer of the event RLP-Yarmarka Ltd.
- Visit select local textile wholesale markets.

In this context a meeting with the participation companies was organized on Saturday 19th August 2017 to brief and guide them on the preparation for their participation. Mr. Ronak Rughani, Vice Chairman of the Council presided over the Meeting and made a presentation on a brief prepared on the Pre-Show visit to Moscow to the representatives of the participation member companies.

ELECTRO-YARN – A SUPER HIGH TECH THREAD

The progression of smart textiles and wearable technology is being driven by the convergence of innovative apparel design, fabric science, embedded sensors, battery technology and high performance textile research and a good example of this trend is the research at Hokkaido University located in Sapporo, Japan.

The program has resulted in the creation of unique and viable carbon nanotube coating process, which was used to develop “Electro Yarn”, a polyester multifilament, multi-walled carbon nanotube (MWCNT). Electro-Yarn is marketed by Marubeni America Corporation as the "world's first" commercially conductive thread. It is. Each individual filament in the multifilament yarn has been thoroughly coated with carbon nanotubes. The robust network of circuits allow for the maintenance of high conductivity even through extreme expansions and contractions of the yarn.

Electro-Yarn

Electro-Yarn exhibits little change in electrical resistance, without compromising yarn durability. Because Electro-Yarn is lighter in weight and has a larger surface area compared to metallic wires, the electrical resistance of Electro-Yarn is maintained throughout the entire length of the yarn, and the surface heating is exponentially faster than that provided by metal wires.

Why polyester used for Electro-yarn?

The reason polyester was chosen as the base material was because the fiber was already being researched for anti-static fabrics. At the same time, it was determined that multi filament would create an ideal base material. After twisting the multi-filament yarn, it was decided that polyester would be the best fit as a base material from a cost perspective.

Advantage of Electro-yarn

The major advantage of Electro-yarn is its electrical properties, combined with the flexibility that comes naturally with textiles.

Applications of Electro-Yarn

While end-use application development is still in the early stages, an Electro-Yarn can potentially be used in the following applications: it is too early to highlight specific applications in outdoor apparel and gear. Electro yarn can be used for electrically functional outerwear (heating and signal); electrical shoe heaters; and as a signal/power line for body sensors. Perhaps, it can also be used in tents, so that the tent material itself can have wiring pre-built inside.

Source: www.electro-yarn.com

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FAQ ON ECGC LTD. (FORMERLY EXPORT CREDIT GUARANTEE CORPORATION OF INDIA LTD.) YOU FOCUS ON EXPORTS. WE COVER THE RISKS.

❖ **Overview of ECGC**

ECGC Ltd. (Formerly Export Credit Guarantee Corporation of India Ltd.), wholly owned by Government of India, was set up in 1957 with the objective of promoting exports from the country by providing Credit Risk Insurance and related services for exports. It functions under the administrative control of Ministry of Commerce & Industry, and is managed by a Board of Directors comprising representatives of the Government, Reserve Bank of India, banking, and insurance and exporting community. Over the years it has designed different export credit risk insurance products to suit the requirements of Indian exporters and commercial banks extending export credit. ECGC is essentially an export promotion organization, seeking to improve the competitiveness of the Indian exporters by providing them with credit insurance covers. ECGC keeps its premium rates at the optimal level.

❖ **Why ECGC?**

ECGC is a progressive organization well equipped to face the challenges posed by the changing economic and global environment. It is professionally managed and provides a conducive work environment. The Corporation aims to enhance the Indian exports through insurance facilities to Indian exporters and bankers and thus strives to make a valuable contribution to the society at large.

❖ **What does ECGC do?**

- Provides a range of credit risk insurance covers to exporters against loss in export of goods and services
- Offers Export Credit Insurance covers to banks and financial institutions to enable exporters to obtain better facilities from them
- Provides Overseas Investment Insurance to Indian companies investing in joint ventures abroad in the form of equity or loan

❖ **How does ECGC help exporters?**

ECGC Offers insurance protection to exporters against payment risks.

- Provides guidance in export-related activities.
- Makes available information on different countries with its own credit ratings.
- Makes it easy to obtain export finance from banks/financial institutions.
- Assists exporters in recovering bad debts.
- Provides information on credit-worthiness of overseas buyers.

❖ **Need for export credit insurance**

Payments for exports are open to risks even at the best of times. The risks have assumed large proportions today due to the far-reaching political and economic changes that are sweeping the world. An outbreak of war or civil war may block or delay payment for goods exported. A coup or an insurrection may also bring about the same result. Economic difficulties or balance of payment problems may lead a country to impose restrictions on either import of certain goods or on transfer of payments for goods imported. In addition, the exporters have to face commercial risks of insolvency or protracted default of buyers. The commercial risks of a foreign buyer going bankrupt or losing his capacity to pay are aggravated due to the political and economic uncertainties. Export credit insurance is designed to protect exporters from the consequences of the payment risks, both political and commercial, and to enable them to expand their overseas business without fear of loss.

Generally asked questions from exporters to ECGC

Q: Your policy is so complex that you always find a reason to reject the claims?

A: From our annual reports you will find that we do pay out claims. The rules you need to follow, in order to be protected, are well described and realistic and the policy wordings are fairly straightforward.

In addition to the above you will be advised about operational procedures to follow. We would be happy to give a one-on-one training to people in charge. However, we would pre-suppose that a policyholder had credit management in place; is able to track over dues, measure exposures on each buyer, and would apply the rules for discretionary limits.

It is not our wish to reject a claim. This always leads to frustration by the policyholder and could be the cause of us losing the policy.

Q: We never had a debt that impacted our business?

A: Prevention is better than cure. If your debt had never impacted your business, it does not cost much to protect yourself against catastrophic losses. Should it have impacted, and if you were to buy credit insurance, then the premium will be much higher.

Even though you may have a clean loss history, it is no guarantee that losses could not be made in the future. Of course a clean loss history will be reflected in the advantageous premium rate we would offer.

No one can be entirely sure about their own market. When it moves fast, it becomes less predictable. Credit insurance is a way to streamline your P&L. You pay a reasonable premium each year and you avoid that 'big hit'

Q: Our portfolio is well-balanced and we currently foresee no risk?

A: If there is an impending risk, it will be too late to buy credit insurance. Even with a well-balanced portfolio, you cannot predict an unexpected claim or catastrophic loss. Unfortunately unforeseen catastrophes do exists e.g. Fraud of a manager that causes a company to go insolvent or secondary insolvency, which means the insolvency of a major buyer of your client that, affects your client's business. You can never be absolutely sure that you have all the information.

Q: We understand our buyers well and we are a highly networked industry?

A: Being highly networked or understanding your buyers is not 'security' to ensure payment from them. Even your best friends sometimes default in payment. Insolvency happens very quickly, and even being well informed will prove too late to withdraw your investments on the buyer.

You should ask yourself "how much time and energy do I have to spare on gathering all the necessary information"? One thing to bear in mind is that personal relationships, with clients, can be dangerous. They can prevent you from either recognizing or assessing the problems in a dispassionate way. A neutral assessment can add value.

There is a difference between reputation and hard, cold facts. Facts change faster. At times there may be facts that you are unaware of. The reason that you are well connected may be the motivation as to why your client will try to pay regularly, for as long as possible, while he is already defaulting on his foreign suppliers. We have records of payment from all over the world, and sometimes we have information that you cannot gather on your market.

Q: Your premium is too high compared to other insurance providers?

A: Usually our rates are competitive because we have been in the business for over 45 years. If our rates fall short of our competitors, we should compare the: indemnity, country coverage, and most important of all credit limits. The premium rate is just an indication of the price, but ultimately you are more interested in credit limits and risk assessment. At the end of the day, it is the quality and value-added services you get from your insurer which matters. We should take a closer look at coverage and risk assessment before comparing prices.

Ensure that when are making comparisons that take like for like. We are very sharp when we price in our core business. However, if we can understand your business needs better, we can advise you on the product that is suitable to you in a way that means you have a better balance between the cover and the premium rate. We also invite you to visit our page in the website on our products to have further details.

Service is key in our industry and that is intangible.

Q: We have enough reserves to overcome losses. With the premium we are paying, we can use that as reserves for our bad debt losses

The reserves put aside are estimated to cover your normal losses. If an unexpected huge debt occurs, your reserves will not be adequate to absorb the losses. Reserves for losses yet to come are not tax deductible and make your balance sheet look worse. It may also have an impact on your own creditworthiness in the eyes of your bank or other credit insurers. One thing to bear in mind is that reserves may be enough to cover your small structural loss but they will never enable you to cover against a major default.

Q: We understand our industry well and can predict the upturns and downturns?

A: When one of your clients goes insolvent, it will not be classified as either an industry upturn or downturn. We might be able to predict insolvency by the continual assessment of the creditworthiness of the buyer. This investment will take a lot of your time. We, as credit insurers, employ specialized staffs who are dedicated to look at risks such as this.

Political risk is not within our predictions and even with the cyclical knowledge of your industry, it may not be of help

Q: It is troublesome and tedious for us to report overdue and submits turnover declarations. It will create more paperwork?

A: Good credit management requires some administration. It is not easy to ensure you get your debts back, this takes some effort. If you do not report to us your over dues, we are sure you will do so within your own department meetings. Your accounting system will be able to churn out the over dues and it just takes some effort to inform us in writing.

Declaring your sales turnover, for instance, is also something you need to assess at the end of each quarter so it is not considered extra work in case of our turnover policy. Furthermore, having the figure will help you realize your sales situation.

What we ask is the kind of reporting your company should be able to provide to your management anyway. The existence of the credit insurance policy will increase the pressure on the credit management department to, in fact, reacts faster to a possible default. Credit insurance gives certain latitude for reporting that is proportional to the strictness of your internal credit management rules. It is something that can be reviewed.

Q: If you are only insuring the good buyers, we do not need credit insurance?

A: We do take risks. Each year we pay a substantial amount of the premium back in claims. This means that we grant credit limits on buyers who are not necessarily AAA rated. Obviously we do not have the urge to take credit limits on buyers who are very likely to become insolvent or who have a record of non-payment. As a claim will affect your result, we expect that you would not be happy either.

If you feel that we refuse cover on a “good” buyer, you have the right to grant him open credit, at your own risk. You need not pay even political risk premium on this part of the turnover at your option which you have to exercise at the time of issue/ renewal of the policy.

Source: www.ecgc.in/

Other related questions regarding ECGC

Q: What does ECGC do on default of payment of any overseas buyer?

A: Export Credit Guarantee corporation reimburses the export proceeds, if an overseas buyer has not paid the amount of export proceeds to the exporter, if such a transaction has been insured by ECGC.

Q: After reimbursement to exporter, what does ECGC do? Will ECGC keep quite?

A: No, Export Credit Guarantee Corporation, with their network of connections, finds out actual cause of default. If ECGC's investigation report is not satisfactory, such firm will be black listed.

Q: What happens, if a firm is black listed by ECGC?

A: If a buyer/importer has been black listed by ECGC, such information is circulated among all international associates of ECGC in turn, such buyer can not buy/import goods from any other suppliers/sellers/exporters on a credit basis.

ECGC circulates this default of payment with all their international contacts and take up the matter legally with higher legal levels. Also this overseas buyer will be black listed by Export Credit Guarantee Corporation and circulated with all their associates' counterparts. Once an overseas buyer has been black listed, he can not buy goods from anywhere in the country, as ECGC does not approve their credit worthiness to exporters and bankers.

Q: How does ECGC protect exporters?

A: Since ECGC Ltd. is a central government undertaking body to provide credit guarantee on the default of payments by the buyer. It works as an insurance firm who guarantees export payment, if the buyer defaults in making payment.

Procedures with ECGC to cover insurance:

Once after finalizing the order, the buyer executes a purchase order to the seller with the terms and conditions as agreed by both. The purchase order should contain full details of buyer and buyer's bank account details. The exporter approaches Export Guarantee Corporation to get approval on the buyer with amount of limit. Here, the ECGC with their available contact with overseas network finds out the credit worthiness of the said buyer and arrives a figure of creditworthiness and inform the maximum limit of amount can be shipped at any point of time. Export Credit Guarantee Corporation collects premium on the amount of approval and issue insurance policy accordingly.

The exporter can apply with ECGC for insurance on shipment wise order as specific insurance policy, or at lump sum as comprehensive policy. If an exporter obtains a specific policy, the contract of insurance is only for that particular shipment. You as an exporter has to pay premium only against the said shipment. If you prefer to obtain a comprehensive policy against any buyer, you can get approval from ECGC, the amount of credit worthiness of the said buyer.

Q: Does ECGC pay immediately on default of overseas buyer's payment to exporters?

A: ECGC covers risk of buyer's default of payment against exported goods. You have obtained a policy from ECGC. Make sure, the procedures and formalities followed as per ECGC's requirements. You need to maintain a proper record of shipments as per serial order and premium to be paid regularly as per their guidelines. Also need to submit the data of exports to them as per their requirements. If you do not follow the terms and conditions of ECGC, you may struggle to get your claim from them like any other general insurance companies.

Need For Export Credit Insurance :

- ECGC has seen raise in number of claims due to defaults and insolvencies.
- In terms of numbers of claims developed countries have shown steep increase in numbers of claims paid.
- Export credit insurance is a viable means of securing payment.
- It is an effective sales tool.
- It is also an effective financial tool.

Source : http://howtoexportimport.com/

INDEX OF INDUSTRIAL PRODUCTION (IIP)
(APRIL-JULY 2017-18)

HIGHLIGHTS

- The Index of Industrial Production (IIP) in the month of July 2017 was higher by 1.2% over the index of July 2016.
- The cumulative overall growth of IIP registered a growth of 1.7% during the period April-July 2017-18 as compared to the same period of the previous year.
- The Index of Industrial Production for the month of July 2017 for Textiles Sector declined by 2.9% as compared to July 2016. There has been a cumulative decline by 1.9% in Textiles Sector during April-July 2017-18 over the corresponding period of 2016-17.
- The index of Industrial production for the manufacturing sector has increased by 0.1% during the month of July 2017 while there was a cumulative growth of 1.3% during the period of April-July 2017-18 over the corresponding period of the previous year.

The Statement below gives the Quick Estimates of growth rate of the Index of Industrial Production (II)) at 2 digit level of the National Industrial Classification (NIC-2008) for the period of April-July 2017-18, along with the cumulative growth rates over corresponding period of the previous year:

Industry code	Description	Percentage growth				
		April 2016	June 2017	July 2017	Apr-June 2017-18	Apr-July 2017-18
13	Textiles	3.4	-3.3	-2.9	-1.7	- 1.9
14	Wearing apparel	1.0	-2.6	- 5.1	-2.2	- 2.5
10-32	Manufacturing	-3.1	-0.4	0.1	1.8	1.3
	General	-0.8	-0.1	1.2	2.0	1.7

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

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INTERNATIONAL TRADE FINANCE

Introduction:

International Trade finance or simply Trade Finance is the financing of international trade flows. It exists to mitigate, or reduce, the risks involved in an international trade transaction. It is required especially to get funds to carry out international trade operations.

There are two players in a trade transaction: (1) an exporter, who requires payment for their goods or services, and (2) an importer who wants to make sure they are paying for the correct quality and quantity of goods.

Trade finance helps settle the conflicting needs of the exporter and the importer. An exporter needs to mitigate the payment risk from the importer and it would be in their benefit to accelerate the receivables. On the other hand the importer wants to mitigate the supply risk from the exporter and it would be in their benefit to receive extended credit on their payment. The function of trade finance is to act as a third-party to remove the payment risk and the supply risk, whilst providing the exporter with accelerated receivables and the importer with extended credit.

Depending on the types and attributes of financing, there are five major methods of transactions in international trade:

Prepayment

Prepayment occurs when the payment of a debt or installment payment is done before the due date. A prepayment can include the entire balance or any upcoming part of the entire payment paid in advance of the due date. In prepayment, the borrower is obligated by a contract to pay for the due amount. Examples of prepayment include rent or loan repayments.

Letter of Credit

A Letter of Credit is a letter from a bank that guarantees that the payment due by the buyer to a seller will be made timely and for the given amount. In case the buyer cannot make payment, the bank will cover the entire or remaining portion of the payment.

Drafts

Sight Draft − It is a kind of bill of exchange, where the exporter owns the title to the transported goods until the importer acknowledges and pays for them. Sight drafts are usually found in case of air shipments and ocean shipments for financing the transactions of goods in case of international trade.

Time Draft − It is a type of foreign check guaranteed by the bank. However, it is not payable in full until the duration of time after it is obtained and accepted. In fact, time drafts are a short-term credit vehicle used for financing goods' transactions in international trade.

Consignment

It is an arrangement to leave the goods in the possession of another party to sell. Typically, the party that sells receives a good percentage of the sale. Consignments are used to sell a variety of products including artwork, clothing, books, etc. Recently, consignment dealers have become quite trendy, such as those offering specialty items, infant clothing, and luxurious fashion items.

Open Account

Open account is a method of making payments for various trade transactions. In this arrangement, the supplier ships the goods to the buyer. After receiving and checking the concerned shipping documents, the buyer credits the supplier's account in their own books with the required invoice amount.

The account is then usually settled periodically; say monthly, by sending bank drafts by the buyer, or arranging through wire transfers and air mails in favor of the exporter.

Trade Finance Methods

The most popular trade financing methods are the following −

Accounts Receivable Financing

It is a special type of asset-financing arrangement. In such an arrangement, a company utilizes the receivables – the money owed by the customers – as a collateral in getting a finance. In this type of financing, the company gets an amount that is a reduced value of the total receivables owed by customers. The time-frame of the receivables exert a large influence on the amount of financing. For older receivables, the company will get less financing. It is also, sometimes, referred to as "factoring".

Letters of Credit

As mentioned earlier, Letters of Credit are one of the oldest methods of trade financing.

Banker's Acceptance

A banker's acceptance (BA) is a short-term debt instrument that is issued by a firm that guarantees payment by a commercial bank. BAs are used by firms as a part of the commercial transaction. These instruments are like T-Bills and are often used in case of money market funds.

BAs are also traded at a discount from the actual face value on the secondary market. This is an advantage because the BA is not required to be held until maturity. BAs are regular instruments that are used in international trade.

Working Capital Finance

Working capital finance is a process termed as the capital of a business and is used in its daily trading operations. It is calculated as the current assets minus the current liabilities. For many firms, this is fully made up of trade debtors (bills outstanding) and the trade creditors (the bills the firm needs to pay).

Forfaiting

Forfaiting is the purchase of the amount importers owe the exporter at a discounted value by paying cash. The forfaiter that is the buyer of the receivables then becomes the party the importer is obligated to pay the debt.

Countertrade

It is a form of international trade where goods are exchanged for other goods, in place of hard currency. Countertrade is classified into three major categories – barter, counter-purchase, and offset.

- Barter: Barter is the oldest countertrade process. It involves the direct receipt and offer of goods and services having an equivalent value.
- Counter-purchase: In a counter-purchase, the foreign seller contractually accepts to buy the goods or services obtained from the buyer's nation for a defined amount.
- Offset arrangement: In an offset arrangement, the seller assists in marketing the products manufactured in the buying country. It may also allow a portion of the assembly of the exported products for the manufacturers to carry out in the buying country. This is often practiced in the aerospace and defense industries.

Source: www.tradefinanceanalytics.com, www.gtreview.com

Online system activated by DGFT to resolve foreign trade-related issues

The Government has set up an online service facility that can be used by importers and exporters to resolve all foreign trade-related issues, an official statement said today.

The Directorate General of Foreign Trade (DGFT), which comes under the Commerce Ministry, has asked all exporters and importers to use the system — Contact@DGFT — for resolution of their matters.

Traders can raise all matters related to the directorate or other agencies of the Centre and States through this facility, which is activated at the DGFT website.

Contact@DGFT system is a single point contact for resolving all foreign trade-related issues. It is believed that best efforts will be made for expeditious resolution.

It is learnt that the trade has now been requested that In the interest of systematic monitoring and effective resolution not to send their queries through twitter or e-mail and use Contact@DGFT service instead.

Source : Business Line

(Continued from Page 1)

SRTEPC'S CONTINUOUS EFFORTS THROUGH EXPORT PROMOTIONAL INITIATIVES POISED TO ENHANCE INDIA-RUSSIA TEXTILE TRADE

Russia. Secretary, Textiles stated that "last year only 36 companies had participated in this Show and this year it has increased to 95 companies. India's share in Russian market in the textiles sector is only 1.4%,

The B2B Meeting in progress during the 49th Federal Trade Fair for Textile & Apparel TEXTILLEGPROM. Seen in picture from l to r Shri Ronak Rughani, Vice Chairman, SRTEPC; Ms. Elena Goulina, International Cooperation Director, RTEDC; Shri Manoj Kotwani, Hon. President, India Business Alliance, Moscow and Shri Murli Mukhija, President, Textile Business Alliance, Moscow.

so there is substantial scope for India to increase its textile trade with Russia." He also insisted that there is a strong desire from both Russian and Indian sides to cater to the Russian textiles market. Secretary, Textiles also informed that Ministry of Textiles, Government of India is going to have Government to Government coordination with its Russian counterparts for enhancing bilateral trade in textiles.

During his Inaugural Speech, Shri Sri Narain Aggarwal, Chairman, SRTEPC informed that in December 2014, the leaders of Russian Federation and Republic of India had set a target of US$ 30 billion bilateral trade by 2025. However, presently, textiles do not appear in the list of items in bilateral trade despite having huge potential to grow, as the bilateral engagements are negligible and hence textile trade is only about US$ 140 million. Shri Sri Narain Aggarwal also informed that there is enormous potential in bilateral textile trade for both India and Russia to benefit mutually. He mentioned that for helping the Indian textile companies to establish their foothold in the Russian market, the Ministry of Textile, Government of India and the Indian Embassy in Moscow should play a handholding role. He requested the Commercial Wing of the Indian Embassy in Moscow to supply study report on Russian Textile industry including list of the segment wise textile importers and traders.

Interaction of the Secretary, Textiles, Government of India and Indian Ambassador to the Russian Federation

Shri Anant Kumar Singh, Secretary, Ministry of Textiles, Government of India, H.E. Shri Pankaj Saran, Ambassador, Republic of India in the Russian Federation along with Shri Sri Narain Aggarwal, Chairman, SRTEPC and Shri Anil Rajvanshi, Convenor & Immediate Past Chairman, SRTEPC visited the stalls of the participating companies in the Fair and interacted with them. The Secretary, Textiles and Indian Ambassador to the Russian Federation personally took stock of the product profiles of the participating companies and assured all the necessary help for exploring the Russian market.

Interactive Meeting with Secretary, Textiles, Government of India

This year, participation in "Textillegprom" was an opportunity for both the participating companies and Shri Anant Kumar Singh, Secretary, Ministry of Textiles, Government of India to meet each other. During the visit of the Secretary, Textiles to the Fair, he showed keen interest to have an exclusive meeting with the participating companies. This meeting was called for close interaction between the representatives of the participating companies and the Secretary Textiles to enable the Ministry of Textiles, Government of India intervene and help the exporters to enhance exports from India to overseas countries including Russia.

During the meeting, senior representatives of the participating companies who were present raised several issues such as credit facility through ECGC, EPCG, Free Trade Agreement with Russia, increasing export competitiveness, etc.

Based on the inputs of the above mentioned meeting in Moscow, the Council is preparing a representation to be sent to the Secretary (Textiles), Government of India on the issues to be addressed urgently by the Ministry of Textiles.

B2B Meetings

The Council organized two separate B2B Meetings for the participating companies on 30th and 31st August, 2017. On the 30th August, 2017 the Meeting was with Mr. M. A. Chereshnev, Chairman of Directional Board of Russian Trade and Economic Development Council and Ms. Elena Goulina, International Cooperation Director, RTEDC whereby they presented before the Indian delegates details of a warehousing facility which the Indian companies can utilize for promotion of their textile items in the entire Russian market. Most of the Indian participating companies have shown their interest and proposed to have further negotiations.

On the 31st August, 2017 the representatives of the Textile Business Alliance (TBA), Moscow were invited to have an exclusive meeting with the Indian participating companies in TEXTILLEGPROM. Around 70 representatives of the participating companies participated in the meeting. All the members of TBA present at the meeting were impressed with the quality of the Indian textile items displayed during the Show. The representatives of participating companies assured that the quality of textiles supplied by them would be at the same price offered by Chinese suppliers.

BUSINESS VISITORS

The Event received fair response from the Russian buyers, importers and importing agents. Around 300 Russian importers/buyers/agents visited the stalls and enabled the participants to establish contacts, receive trade enquiries, etc. Participating companies could also meet and build cordial business relationship with the Indian origin Russian businessmen, importers and agents who are presently importing from countries like China, Turkey, etc. It is understood that most of the participating companies received trade enquiries for their products. The total estimated amount of business under negotiation is reported to be around US$ 10 million.

The Secretary Textiles Shri Anant Kumar Singh and Shri Sri Narain Aggarwal, Chairman, SRTEPC and Shri Ronak Rughani, Vice Chairman, SRTEPC interacting with one of the representatives at their stall during the fair.

RUSSIAN TEXTILE MARKET

Russia is a net importing country of textile products. Less than 30% of net domestic textile consumption was produced locally in Russia and remaining 70% is being imported. In 2016 Russia imported US$ 8.4 billion of textile products. However, imports from India are only about US$ 0.3 billion (4% market share).

Russia imported about US$ 2 billion of manmade fibre textiles during 2016, of which imports from India accounted for 2.44% (US$ 39 million) only. Major manmade fibre textile items exported from India to Russia are Polyester filament fabrics, Polyester viscose fabrics, polyester viscose yarn, acrylic yarn, viscose staple fibre, etc. However, there is tough competition in polyester filament yarn because local industry in Russia has started producing this item and it's in the initial stage. But in case of polyester viscose fabrics and polyester viscose yarn, Russia mostly relies on import. Hence, there is huge of potential for exports of Polyester filament fabrics, Polyester viscose fabrics, polyester viscose yarn, acrylic yarn, viscose staple fibre, etc. from India to Russia. Presently the main supplying countries of MMF textiles to Russia are

The Secretary Textiles being received at the "India Pavilion" during the Fair. From l to r Shri Anil Rajvanshi, immediate past Chairman and Convenor; Shri Sri Narain Aggarwal, Chairman, SRTEPC; Shri Anant Kumar Singh, Secretary Textiles and Shri Ronak Rughani, Vice Chairman, SRTEPC.

China, USA, Turkey, Korea, Japan, etc. Cotton is being imported to Russia mostly from Uzbekistan, Tajikistan and Turkmenistan.

CUSTOMS TARIFF

Russia along with Kazakhstan and Belarus apply a common external tariff (CET) - effective from January 1, 2010. Customs duties are payable on the c.i.f. (cost, insurance, and freight) value of goods. Duties are levied on an ad valorem basis. Specific duties are based on unit of measurement such as weight or volume and are stated and calculated in European currency units. Existing Customs duties of Russia on manmade fibre textiles are up to 20 per cent including on fibre, yarn, fabrics, and made-ups. Apart from the Customs tariffs, VAT of 18% has been levied on manmade fibre textile import, which is applied to the import price plus tariff. A customs processing fee of 0.15% of the actual cost of the goods is also levied.

However, after becoming 156th member of the WTO on 22 August 2012, the Russian Federation is expected to welcome more liberalized trade policies. As a consequence of this, Russia is expected to reduce its import tariffs/duties and make the Customs rules and procedures simpler which entails great prospects for increase in the exports of Indian manmade fibre textiles to Russia.

OBSERVATION ON RUSSIAN BUSINESS PRACTICE

Russian market has huge potential and scope for exports of textiles from India. Indian textiles are highly sought after as compared to Chinese and Turkish. As far are logistics and Customs issues are concerned, Russia is a difficult market to enter. As far as business practice is concerned, Russian importers generally prefer to choose a foreign supplier who has its office in Moscow. Thus, Russian importers prefer to import from an Indian company who has its branch office in Moscow, has a warehouse in Moscow, or has an official agent in Moscow. Moreover, language is a hurdle in Russia. Russian importers feel more confident with a client who is able to communicate in Russian than English. However, due the long spanning cordial relationship between India and Russia, Russians prefer Indian textile products than Chinese textile products.

CONCLUSION

Federal Trade Fair for Apparel & Textile "Textillegprom" is the most popular and largest textile exhibition in the Russian Federation. The Fair provided an excellent opportunity for the participating Indian companies to understand the requirements of the Russian market and also its way of doing business. It also helped in projecting India before the Russian buyers as a major textile producing country and a reliable supplier of manmade fibre textiles. Participation in the Fair is also expected to give further boosts to the existing exports of around US$ 400 mn. of Indian manmade fibre textiles to Russia. In view of the potential of the Russian market for Indian manmade fibre textiles and positive feedback of the participating companies on emerging opportunities in the Russian market, the Council may like to repeat participation of the Fair in 2018 also.

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NOTICE

MINISTRY OF COMMERCE & INDUSTRY					
DGFT					
S.No	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Notification No. 23/2015-2020	23.08.2017	Amendment in Para 3.24(j) of Chapter-3 of FTP 2015-20	The entitlement to export freely exportable on free of cost basis by Status Holders has been revised.	http://dgft.gov.in/Exim/2000/NOT/NOT17/Signed%20Notification%2023%20dated%2023%20August%202017%20English%20Scanned.pdf
(2)	Public Notice No. 19/ 2015-2020	23.08.2017	Amendment in Appendix 2G (List of Inspection and Certification Agencies of Handbook of Procedures (Appendices and Aayat Niryat Forms) 2015-20.	Annexure to the Public Notice No.15/2015-2020 is being re-notified & Pre-Shipment Inspection Agency as listed in the Public Notice No. 19 is de-listed from Appendix 2G of H.B.P.	http://dgft.gov.in/Exim/2000/PN/PN17/public%20notice%2019-eng..pdf
(3)	Public Notice No. 18/ 2015-2020	23.08.2017	Amendment in Para 2.84 of Chapter 2 of HBP 2015-2020	Amendments in the Paragraph 2.84 regarding Free of Cost Exports for status holders of Chapter 2 of Handbook of Procedures (HBP) 2015-20 with immediate effect.	http://dgft.gov.in/Exim/2000/PN/PN17/Signed%20Public%20Notice%2018%20dated%2023%20August%202017%20English%20Scanned.pdf
(4)	Trade Notice No. 17/ 2017-18	06.09.2017	Establishing, Contact@DGFT service as single point contact for all Foreign Trade related issues	Contact@DGFT system has been activated at the DGFT website (www.dgft.gov.in) as a single point for resolving all foreign trade related issues.	http://dgft.gov.in/Exim/2000/TN/TN17/Trade%20Notice.%2017.pdf
MINISTRY OF FINANCE					
CBEC - CUSTOMS					
S.No	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Notification No. 73/2017 Customs (T)	18.08.2017	Seeks to further amend notification no. 60/2011-customs dated 14.7.2011 to give effect to renewed MoU on India-Bangladesh border haats.	Amendments in the Table given in the Notification No. 60/2011- Customs, dated 14.07.2011.	http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2017/cs-tarr2017/cs73-2017.pdf
(2)	Notification No. 84/2017 Customs (NT)	07.09.2017	Rate of exchange of conversion of the foreign currency with effect from 8th September, 2017	CBEC has notified the exchange rate of conversion of each of the foreign currencies into Indian currency or vice versa relating to import and export of goods.	http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2017/cs-nt2017/csnt84-2017.pdf
(3)	Notification No. 81/2017 Customs (NT)	17.08.2017	Notification No.81/2017-Customs (N.T.) dated 17th August, 2017 [Effective from 18th August, 2017]	CBEC has notified the exchange rate of conversion of each of the foreign currencies into Indian currency or vice versa relating to import and export of goods. These rates shall be effective from 18th August, 2017.	http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2017/cs-nt2017/csnt81-2017.pdf
(4)	Notification No. 80/2017 Customs (NT)	17.08.2017	Amendment to notification no. -83/2012-Customs (N.T.) dated 17.09.2012	CBEC specifies the classes of importers who shall pay customs duty electronically namely- 1) Importers registered under Authorised Economic Operator Programme, and 2) Importers paying customs duty of ten thousand rupees or more per bill of entry.	http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2017/cs-nt2017/csnt80-2017.pdf

(5)	Circular No. 36/2017 Customs	28.08.2017	Implementing electronic sealing for containers by exporters	The new self-sealing procedure shall come into effect from 1st October, 2017, till then the existing procedure shall continue.	http://www.cbec.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2017/circ36-2017cs-revised.pdf
(6)	Instruction No. 12/2017 Customs	31.08.2017	Clarification on difficulties related to recent amendments in Customs Act, 1962.	Board has examined and accordingly clarification is given on the points raided.	http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-instructions/cs-instructions-2017/cs-ins-12-new.pdf

CBEC- CENTRAL EXCISE

S.No	Heading No.	Date	Subject	Description	Download the Link
(1)	Notification No. 25/2017-Central Excise (NT)	16.08.2017	Seeks to amend Notification No. 45/2001-CE (NT) dated 26 June, 2001	In the paragraph 1- Conditions and Safeguards, against serial number (1) and Paragraph 2 - Procedure, against serial number (3) in the Notification No. 45/2001-CE (NT) dated 26 June, 2001.	http://www.cbec.gov.in/resources/htdocs-cbec/excise/cx-act/notifications/notfns-2017/cx-nt2017/cent25-2017.pdf

SAHAR AIR CARGO CUSTOMS

S.No	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 35/2017	24.08.2017	Streamlining of Export Procedures	It has been represented that Exporter's Copy is being retained by Airlines and Custodians for clearance and is finally submitted to the Customs as a result of which the exporters are left with no copy of Shipping Bill.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2017/Public%20Notice%2035.pdf
(2)	Public Notice No. 34/2017	19.08.2017	Detailed Guidelines for re-testing of samples	Procedures have been prescribed by the Board in the Public Notice No. 34 in order to have uniformity in approach among the members.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2017/Public%20notice%2034.pdf
(3)	Public Notice No. 33/2017	19.08.2017	Online Transmission and processing of Chapter 3 Reward Scheme Licenses/ Scrips (SEIS) issued by the DGFT.	Exporters would be required to get it verified once at the port of registration before its use and then the scrips would be available for all India use.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2017/public%20notice%2033.pdf
(4)	Public Notice No. 32/2017	16.08.2017	Detailed Guideline for re-testing of samples	The government has prescribed procedures with regard to re-testing of samples.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2017/Pubic%20notice%2032.2017.pdf
(5)	Public Notice No. 31/2017	16.08.2017	Non-Requirement of signature & stamp of LEO officer on the final Print-Out of Shipping Bill.	It has been decided that the signature and stamp of the Leo Export Order officer will not be required on the final print out of the shipping bill.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2017/Public%20notice%2031.2017.pdf

(6)	Facility Notice No. 16/2017	30.07.2017	Exemption from levy of amendment fee and charges for late filing of Bill of Entry	It has been decided that the consignments having entry inward dated 22.08.2017to 26.08.2017, there will be no charge on late presentation of Bill of Entry.	Evidence to show that efforts were made for submitting a job in ICEGATE
MUMBAI CUSTOMS					
S.No	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Public Notice No. 107/2017	25.07.2017	Detailed Guidelines for Re-Testing of Samples	Mumbai Customs has taken measures according to provisions laid in Circular 30/2017 – Customs dated 18.07.2017 for granting opportunity for a second test, where test report of sample taken upon arrival of goods declared for importer shows an adverse finding.	http://www.mumbaicustomszone1.gov.in/writereaddata/images/publicnotice/PN.pdf
JNCH CUSTOMS					
S.No	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Public Notice No. 118/2017	11.09.2017	Procedure to be followed for Import under DEEC/EPCG Scheme	It has been decided that the bills of entry under EPCG/DEEC schemes shall be filed only when complete details of registration/bond debit are available with importer/CHA. In absence of the same, the bills of entry shall be filed as bill of entry for warehousing and the goods shall be bonded in the warehouse.	http://164.100.155.199/pdf/PN-2017/PN_NO_118.pdf
(2)	Public Notice No. 117/2017	08.09.2017	Refund of amount on account of double-Payment of Customs Duty	The proper officer will verify the claim and will cross check the claim in the prescribed manner given in the Public Notice.	http://164.100.155.199/pdf/PN-2017/PN_NO_117.pdf
(3)	Public Notice No. 116/2017	05.09.2017	Release of drawback claimed by the exporter at higher All Industry Rates (AIRs) under Duty Drawback Scheme after mplementation of GST on 01.07.2017	It has been decided that the exporters, who have filed the shipping bills between 01.07.2017 and 26.07.2017 while claiming the higher All Industry Rates (AIRs) under Duty Drawback Scheme viz. rates and caps available under column (4) and (5) of the schedule of All Industry rates of Duty drawback before issuance of the Board Notification No. 73/2017- Cus (N.T.) dated 26.07.2017, can also avail the same facility on furnishing the Self-declaration as per Public Notice No. 101/2017 dated 02.08.2017.	http://164.100.155.199/pdf/PN-2017/PN_NO_116.pdf
(4)	Public Notice No. 113/2017	01.09.2017	Goods Registration timings for examination of export goods at Export Docks	It is noticed that there is considerable delay in feeding stuffing report in the system. Hence, directions are re-iterated for strict compliance.	http://164.100.155.199/pdf/PN-2017/PN_NO_113.pdf

(5)	Public Notice No. 112/2017	31.08.2017	First time importers / exporters, verification of documents	With the objective to promote ease of doing business, reducing use of paper, to make import and export easier and hassle free and also to facilitate easy access of database of first time importers / exporters, aforesaid Public Notice has been revisited and revised procedure for KYC verification of first time importers / exporters.	http://164.100.155.199/pdf/PN-2017/PN_NO_112.pdf
(6)	Public Notice No. 111/2017	29.08.2017	Procedure for execution / monitoring of "No Use Bond" in respect of clearance of import FCL containers involving NOC from Participating Government Agencies (PGAs)	In order to streamline the procedure of execution and monitoring the "No Use Bond" executed by DPD importers, procedure is prescribed.	http://164.100.155.199/pdf/PN-2017/PN_NO_111.pdf
(7)	Public Notice No. 110/2017	29.08.2017	PUBLIC NOTICE NO. 110/2017	Procedure in relation to evacuation of DPD containers from port terminals of JNCH to designated CFSs, if not cleared within prescribed 48 Hours Period , extension of aforesaid time limit in certain situations; & " Advance intimation" of at least 72 hours from importer availing DPD Facility to shipping lines , Copy to Customs; Standard Format of "Advance intimation"	http://164.100.155.199/pdf/PN-2017/PN_NO_110.pdf
(8)	Public Notice No. 109/2017	21.08.2017	Digitization of Refund claims at JNCH, Nhava Sheva; Creating electronic database of all refund claims, optional procedure	Procedures have been prescribed about Digitization of Refund claims.	http://164.100.155.199/pdf/PN-2017/PN_NO_109.pdf
(9)	Public Notice No. 108/2017	18.08.2017	Creating electronic database of Advance Authorisation / EPCG License Registration details, Bond & Security / LUTs	Database has been maintained as shown in the Public Notice which will be useful to importer / exporter in case of any missing documents / information as the same can be obtained from Customs. Further, electronic database will also assist in quick transmission of aforesaid information to any requesting department / organization. The revised procedure would be effective from 01.09.2017.	http://164.100.155.199/pdf/PN-2017/PN_NO_108.pdf
(10)	Public Notice No. 107/2017	21.08.2017	Certain information about shipping lines for reference	As per the Para 5 of Public Notice No. 27/2017 dated 06.03.2017, CSLA has submitted a revised list containing name & contact details of concerned persons of shipping lines operating in JNPT.	http://164.100.155.199/pdf/PN-2017/PN_NO_107.pdf

(11)	Public Notice No. 105/2017	14.08.2017	Clarification on issues related to furnishing of Bond/Letter of Undertaking for Exports	Communications were received from the exporters citing variation in the interpretation of referred notification and circulars. Hence, clarifications is prescribed on issues related to furnishing of Bond/Letter of Undertaking for Exports.	http://164.100.155.199/pdf/PN-2017/PN_NO_105.pdf
(12)	Public Notice No. 101/ 2017	02.08.2017	Implementation of GST in Customs Changes in S/B Declaration	The declaration from exporter or certificate from the then Central Excise officer as applicable in terms of Note and Condition 12A of said Notification No. 131/2016- Customs (NT) shall continue.	http://164.100.155.199/pdf/PN-2017/PN_NO_101.pdf
(13)	Public Notice No. 99/ 2017	28.07.2017	Operational problems being faced by EOU in GST regime consequent to amendment in Notification no. 52/2003-Customs dtd. 31-3-2003	Attention of members of trade is invited to the Board Circular No. 29/2017-Cus dated 17.07.2017 on the given subject. It has been decided and clarified on the given subject.	http://164.100.155.199/pdf/PN-2017/PN_NO_99.pdf
(14)	Public Notice No. 97/ 2017	28.07.2017	Detailed guidelines for re-testing of samples	In order to have uniformity in approach among the field formations with regard to re-testing of samples, procedures are prescribed by the Board.	http://164.100.155.199/pdf/PN-2017/PN_NO_97.pdf
(15)	Public Notice No. 96/2017	27.07.2017	Permission for bringing goods meant for export by import/domestic freight containers	Attention of members of trade is invited to the issue of ' Permission for bringing goods meant for export by import/domestic freight containers.	http://164.100.155.199/pdf/PN-2017/PN_NO_96.pdf

RESERVE BANK OF INDIA

S.No	Heading No.	Date	Subject	Description	Download the Link
(1)	RBI/2017-18/55	07.09.2017	Reimbursement of Merchant Discount Rate (MDR) Charges for Government transactions up to Rs.1 lakh through debit cards	It is clarified that the full amount paid to the Government by the customers / through debit / credit cards should be remitted to the concerned Government Ministry /Department. The reimbursement of MDR charges on debit card use (up to Rs.one lakh) can be claimed from RBI separately as per extant guidelines. Deduction of MDR charges from the receipts of government is not permissible at all.	https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11117&Mode=0

GST Related Notifications

CENTRAL TAX NOTIFICATIONS

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

Notification No. & Date	Subject
31/2017-Central Tax,dt. 11-09-2017	Seeks to extend the time limit for filing of GSTR-6.
30/2017-Central Tax,dt. 11-09-2017	Seeks to extend the time limit for filing of GSTR-1, GSTR-2 and GSTR-3.
29/2017-Central Tax,dt. 05-09-2017	Seeks to extend due dates for furnishing details/Returns for the months of July, 2017 and August, 2017.

Notification No. & Date	Subject
28/2017-Central Tax,dt. 01-09-2017	Seeks to waive the late fee for late filing of FORM GSTR-3B, for the month of July
27/2017-Central Tax,dt. 30-08-2017	Seeks to further amend the CGST Rules, 2017
26/2017-Central Tax,dt. 28-08-2017	Seeks to extend time period for filing of details in FORM GSTR-6 for months of July & August.
25/2017-Central Tax,dt. 28-08-2017	Seeks to extend time period for filing of details in FORM GSTR-5A for month of July
24/2017-Central Tax,dt. 21-08-2017	Seeks to further extend the date for filing of return in FORM GSTR-3B for the month of July, 2017.
23/2017-Central Tax,dt. 17-08-2017	Seeks to notify the date and conditions for filing the return in FORM GSTR-3B for the month of July, 2017
22/2017-Central Tax,dt. 17-08-2017	Seeks to amend the CGST Rules, 2017
21/2017-Central Tax,dt. 08-08-2017	Seeks to introduce date for filing of GSTR-3B for months of July and August.
20/2017-Central Tax,dt. 08-08-2017	Seeks to extend time period for filing of details in FORM GSTR-3 for months of July and August.
19/2017-Central Tax,dt. 08-08-2017	Seeks to extend time period for filing of details of inward supplies in FORM GSTR-2 for months of July and August.
18/2017-Central Tax,dt. 08-08-2017	Seeks to extend time period for filing of details of outward supplies in FORM GSTR-1 for months of July and August.

INTEGRATED TAX NOTIFICATIONS

(http://www.cbec.gov.in/htdocs-cbec/gst/integrated-tax-notfns-2017)

Notification No. & Date	Subject
08/2017-Integrated Tax,dt. 14-09-2017	Granting exemption to a person making inter-State taxable supplies of handicraft goods from the requirement to obtain registration
07/2017-Integrated Tax,dt. 14-09-2017	Granting exemption from registration to job-workers making inter-State supply of services to a registered person from the requirement of obtaining registration

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Attention: Members

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

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

- ❖ Fabrics
- ❖ Yarns
- ❖ Made-ups
- ❖ Fibre

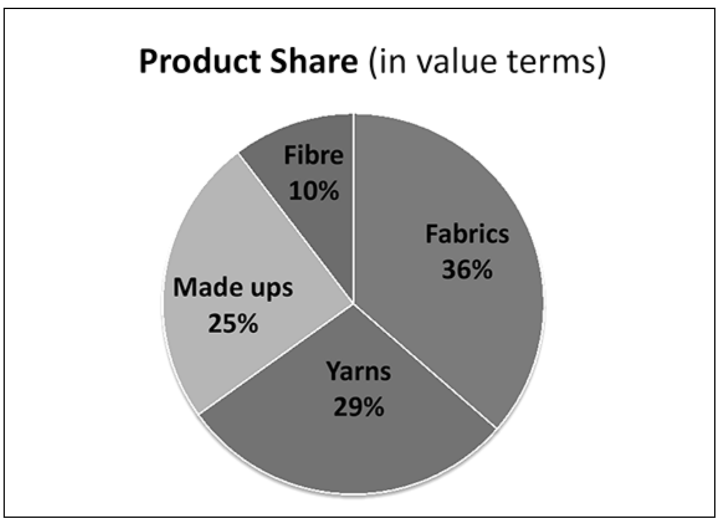
The Book is available for ₹ 115 (including Service Tax), which can be obtained from the Head office or Regional Offices of the Council at Delhi and Surat on payment by cash or on the receipt of Demand Draft (in favour of “The Synthetic & Rayon Textiles Export Promotion Council, Mumbai) for the requisite amount. Please add ₹ 50/- for mailing charges, if you require the Book through courier.

REVIEW OF INDIA'S MMF EXPORTS DURING APRIL - JUNE 2017-18

Exports of Indian MMF textiles during April-June 2017-18 in value terms were US$ 1487.73 Million against US$ 1424.98 Million, witnessing a growth of 4.40% as compared to the same period of the previous year. In terms of quantity during April-June 2017-18 exports have witnessed about 2% growth. (SOURCE: MOC)

Product	Unit	In Quantity (Thousand)		% Change	In Value USD Mn		% change
		April - June 2017-18	April - June 2016-17		April - June 2017-18	April - June 2016-17	
Fabrics	Sqm/kgs	460293.97	424684.38	8.38	541.63	507.9	6.64
Yarn	Kgs.	223762.76	247022.44	-9.42	427.01	435.03	-1.84
Made-up	Kgs./nos/sqm	97090.76	96748.71	0.35	364.64	344.26	5.92
Fibre	Kgs.	101175.63	99800.35	1.38	154.45	137.79	12.09
TOTAL		882323.12	868255.88	1.62	1487.73	1424.98	4.40

SOURCE: MOC



HIGHLIGHTS

- Overall exports in April-June 2017-18 in value terms were US$ 1487.73 million against US$ 1424.98 million, witnessing a growth of 4.40% as compared to the same period of the previous year.
- Exports of Fabrics dominated with 36% share followed by Yarn 29%, 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 to 61% of total exports.
- Except yarn (- 1.84%), all the three segments witnessed positive growth in export like Fabrics 7%, made-ups 6% and fibre over 12%.
- In the fabrics segment Polyester Filament Fabrics (US$ 130.16 Mn) remained the top exported product in India's MMF textile exports followed by Synthetic Filament Fabrics (US$ 117.14 Mn) and Polyester Viscose Fabrics (US$ 90.84 Mn) during April-June 2017 - 18.
- Viscose 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$ 244.8 Mn followed by Polyester Spun Yarn (US$ 37.06 Mn), Polyester Cotton Yarn (US$ 36.61 Mn).
- In Made-ups, exports of Bulk Containers was the leading item with exports worth US$ 122.23 Mn (with 17% growth) followed by Muffler and Shawls/Scarves worth US$ 42.63 Mn and US$ 33.19 Mn respectively.
- Viscose Staple Fibre (US$ 78.89 Mn)with over 20% growth was the leading item in the MMF category followed by Polyester Staple Fibre (US$ 59. 95 Mn) and Acrylic Staple Fibre (US$ 9.22 Mn).
- USA was the leading market for Indian MMF textiles during April-June 2017-18 with 10% share in total exports followed by Turkey 8.30% and UAE 7.95%.
- Leading markets with positive growth are USA (11.27%), Turkey (11.44%) and Brazil (24.52%)
- Exports to Pakistan have witnessed a growth of 35.18%.

PRODUCT-WISE EXPORT PERFORMANCE APRIL-JUNE 2017-18

Products	Apr-Jun 2017-18	Apr-Jun 2016-17	Net Change	% Gr/ dec
FABRICS (Woven+non-woven+knitted)				
Polyester Filament	130.16	133.91	-3.75	-2.80
Synthetic Filament	117.14	130.83	-13.69	-10.46
Polyester Viscose	90.84	69.04	21.8	31.58
Polyester Blended	42.45	46.71	-4.26	-9.12
Viscose Spun	46.98	22.75	24.23	106.51
Viscose Blended	15.73	2.82	12.91	457.80
Polyester Wool	11.05	11.35	-0.3	-2.64
Synthetic Cotton	11.69	11.02	0.67	6.08
Polyester Spun	5.02	16.04	-11.02	-68.70
Polyester Cotton	8.16	10.44	-2.28	-21.84
Nylon Filament	5.42	3.37	2.05	60.83
Synthetic Blended	3.87	2.38	1.49	62.61
Viscose Filament	2.4	2.87	-0.47	-16.38
Other Fabrics	50.72	44.37	6.35	14.31
Total Fabric	**541.63**	**507.9**	**33.73**	**6.64**
YARN				
Polyester Filament	244.8	245.79	-0.99	-0.40
Polyester Cotton	36.61	34.74	1.87	5.38
Polyester Spun	37.06	38.47	-1.41	-3.67
Polyester Viscose	25.14	28.35	-3.21	-11.32
Viscose Spun	18.79	29.5	-10.71	-36.31
Viscose Filament	13.02	12.45	0.57	4.58
Acrylic Spun	12.18	13.39	-1.21	-9.04
Synthetic Spun	11.51	7.27	4.24	58.32
Polyester Wool	5.47	6.94	-1.47	-21.18
Viscose Cotton	3.02	2.46	0.56	22.76
Artificial Spun	2.43	2.36	0.07	2.97
Nylon Filament	3.5	2.24	1.26	56.25
Acrylic Cotton	2.3	1.87	0.43	22.99
Other Yarn	11.18	9.2	1.98	21.52
Total Yarn	**427.01**	**435.03**	**-8.02**	**-1.84**
MADE-UPS				
Bulk Containers	122.23	104.8	17.43	16.63
Muffler	42.63	50.56	-7.93	-15.68
Shawls/Scarves	33.19	28.71	4.48	15.60
Motifs	22.9	24.07	-1.17	-4.86
Fishing Net	13.09	11.39	1.7	14.93
Rope	5.65	6.1	-0.45	-7.38
Blanket	7.62	7.57	0.05	0.66
Bed Linen	6.13	6.23	-0.1	-1.61
Bedsheet	4.33	5.68	-1.35	-23.77

Products	Apr-Jun 2017-18	Apr-Jun 2016-17	Net Change	% Gr/ dec
Dress Material	3.12	3.67	-0.55	-14.99
Life Jacket	3.22	2.08	1.14	54.81
Sacks and Bags	2.63	3.2	-0.57	-17.81
Braids	3.01	2.57	0.44	17.12
Furnishing Articles	2.79	2.1	0.69	32.86
Tulles	2.28	2.12	0.16	7.55
Curtains	3.05	2.05	1	48.78
Other Made-up	86.77	81.36	5.41	6.65
Total Made-ups	**364.64**	**344.26**	**20.38**	**5.92**
FIBRE				
Viscose Staple	78.89	65.63	13.26	20.20
Polyester Staple	59.95	52.76	7.19	13.63
Acrylic Staple	9.22	10.42	-1.2	-11.52
Other Fibre	6.39	8.98	-2.59	-28.84
Total Fibre	**154.45**	**137.79**	**16.66**	**12.09**

* 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 plastics, most often made of thick woven polyethylene or polypropylene, either coated or uncoated.

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

LEADING MARKETS

Value in USD Mn

Sl No.	Country	Apr-Jun 2017 - 2018	Apr-Jun 2016 - 2017	Net Change	%Grw/ Decline
1	USA	150.44	135.20	15.24	11.27
2	TURKEY	123.55	110.87	12.68	11.44
3	UAE	118.21	161.64	- 43.43	-26.87
4	BRAZIL	75.17	60.37	14.80	24.52
5	ITALY	40.91	42.97	-2.06	-4.79
6	SRI LANKA	39.77	38.07	1.70	4.47
7	GERMANY	38.28	40.12	-1.84	-4.59
8	PAKISTAN	31.78	23.51	8.27	35.18
9	EGYPT	29.60	30.71	-1.11	-3.61
10	BELGIUM	27.50	26.59	0.91	3.42
11	SAUDI ARABIA	23.59	16.44	7.15	43.49
12	NETHERLANDS	14.68	13.13	1.55	11.81

VIEW OF STALLS AT THE FAIR

"SHRADDHANJALI"

The Council expresses its deep shock on the demise of Shri Manoharlal Aroraji, Chairman Dicitex Group of Companies on 28th August 2017 . Shri Manoharlal Aroraji was born in Raisinghnagar, Rajasthan on 18th August 1942.

Manoharlalji's illustrious business journey in textiles commenced at the age of 14 from Goregaon East, Mumbai in the year 1956 and over the years he grew the business to establish the well known Brands 'DICITEX' and 'DC Silk Mills'. The group manufactures and exports Furnishing products and Embroidered dress materials and curtains.

He is survived by his wife Smt. Veena Arora, who has taken over as Chair Person of the Dicitex Group in order to mentor the business the way Manoharlalji did for the past 6 decades.

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