

## SRTEPC PARTICIPATION IN 7<sup>th</sup> COLOMBO INTERNATIONAL YARN AND FABRIC SHOW (CIFS)

**S**RTEPC organized a group participation of its member-companies in the “7<sup>th</sup> Colombo International Yarn & Fabric Show” (CIFS), which was held from March 10-12, 2016 at Sri Lanka Exhibition & Convention Centre (SLECC) in Colombo. The Exhibition was aimed at showcasing textile products of different varieties to service the requirements of the Sri Lankan Clothing Industry in particular, and the Apparel Industry in South Asian region in general. Thirteen member-companies of the Council participated in the Exhibition. Besides India, other countries, which organized their Pavilions at the Exhibition include China, Taiwan, Turkey, UAE, Singapore and Sri Lanka.



*Hon'ble Minister of Economic Development, Sri Lanka, Mr. Rishad Bathiudeen (Centre) inaugurating 7<sup>th</sup> Colombo International Yarn & Fabric Show, (CIFS). Also seen in the picture are Mr. Tuli Cooray - Secretary General of JAAF, Mr. Sri Narain Aggarwal - Vice Chairman of SRTEPC India, Mr. S.S. Sarwar - Group CEO of CEMS-Global USA & Asia-Pacific and Mr. Ejaz Sarwar - Country Director of CEMS Lanka.*

### INAUGURATION

The Exhibition was inaugurated by Shri. Rishad Bathiudeen, the Hon'ble Minister of Commerce of Sri Lanka in the presence of a large gathering of dignitaries, leading businessmen including Shri. M. P. Tuli Cooray – Secretary General of Joint Apparel Association Forum (JAAF).

Speaking at the inaugural session of the Exhibition, the Honorable Minister said “..... Sri Lanka's apparel export earning is USD 5 billion, which is 40% of the total export earning of the country. .... If Sri Lanka regains its GSP + status in the near future, it could see investments soaring newer heights in the Textile & Apparel Industry, and factories expanding their capacity to meet the rising demands”.

Inaugurating the Exhibition, Shri. Cooray said, “..... SRTEPC has brought its delegation of 13 member-companies – showcasing their capacity to their target

*(Contd. on Page 33)*



*Mr. Sri Narain Aggarwal, Vice Chairman, SRTEPC lighting a Lamp during "INTEXPO"; Colombo International Yarn & Fabric Show, (CIFS), Sri Lanka.*



## BANGLADESH WITH CONSIDERABLE MARKET POTENTIAL FOR INDIAN MMF TEXTILES EXPORTS

From spinning to weaving, from knitwear to leisurewear and high street fashions, the textiles and clothing industry is Bangladesh's biggest export earner with value of over \$ 7.68 bn of exports in 2005 to \$ 30.23 bn of exports in 2014. Textiles and clothing industry occupied unique position in the Bangladesh economy and plays an important role in the domestic economy both as a foreign exchange revenue-earner, as well as a key source of employment.

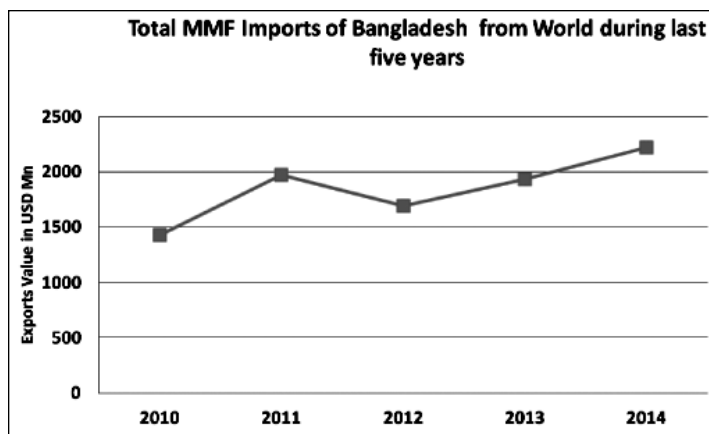
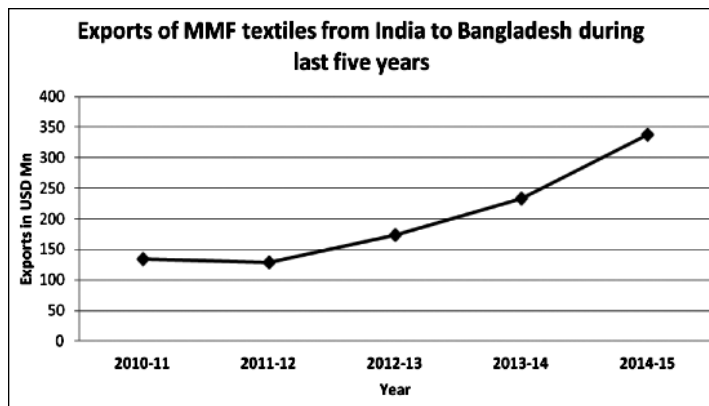
Bangladesh imported around US\$ 2 billion of Man-made fibre textiles from the world during 2014 of which India's share was around 14% (US\$ 0.30 billion). The main countries which exported man-made fibre textile to Bangladesh during the year were China, India, Thailand, South Korea, Indonesia, Japan, Vietnam, etc. Since, India's share in Bangladesh's total import of manmade fibre textiles was only 14%, there is huge untapped scope for increasing exports of Indian manmade fibre textiles to this country.

### GARMENTING HUB IN SOUTH-EAST ASIA

The Ready Garment industry occupies a unique position in the Bangladesh economy. It is the largest exporting industry in Bangladesh, which experienced phenomenal growth in the recent years. By taking advantage of Multi Fiber Agreement (MFA) of GATT, the industry plays a key role in employment generation and income to the people of Bangladesh. Despite the country domestically produces raw-materials and intermediaries like fibre, yarn and fabrics for its flourishing garmenting sector, these are inadequate and hence it imports substantial quantity of these textile materials thereby, offering big scope for sourcing yarns and fabrics from India. Bangladesh's total import of Textile and Clothing from World was nearly US\$ 10 billion in 2014 in which textiles alone was about US\$ 9 billion of which around 22% (US\$ 2 billion) was of man-made

fibre textiles. Main MMF textile products imported by Bangladesh are dyed woven fabrics made out of polyester filament yarn, Polyester Viscose woven fabrics, Polyester Texturised yarn and acrylic filament yarn etc.

However, India's share in Bangladesh total import of Man-made fibre textiles during 2014 was only US\$ 306.71 million accounting for 15% in its total import of MMF textiles from the world. Hence, there is scope for increasing exports of Indian MMF textiles to Bangladesh. Product share in the export basket of Indian MMF textiles to Bangladesh was fabrics 64%, yarn 25%, 9% fibre and 2% Made-ups. Main countries which supplied MMF textiles to Bangladesh were China, India, Thailand, South Korea, India, Japan, Vietnam, etc



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Dear Member,

Increasing fabrics imports, especially from China has become a critical issue to the Indian Textile industry. Council has brought this concern of the Industry to the kind attention of the concerned in the Government and requested for early action to resolve the emerging crisis like situation. Large scale imports in recent period has severely affected significant share of our Man-made fabrics production and also led to very low capacity utilization of the power looms and closure of a few in many textile clusters in Surat, Bhvandi and other areas. We have requested that the matter should be addressed both by fixing the minimum floor price of imported fabric and reducing excise duty on manmade fibres to make it competitive in speedy manner to restore the growth back in the industry.



We have also brought to the attention of the Government the potential damage to the Indian Fabrics industry due to the proposed duty free import of fabrics in the current budget. It has allowed import of fabrics to the garment manufacturers or merchant exporters equivalent to 1% of their FOB value based on the financial year 2015-16. Considering the garment exports of US\$17 bn in 2015-16, it is expected that fabrics worth Rs.1200 crores would be imported into India which will badly impact the domestic fabric producers as this fabric will be diverted to domestic market and compete with our domestic produce. It is imperative that adequate steps need to be urgently taken to avoid misuse of this extra window for imports. This is inevitable as the existing simplified advanced authorization scheme is also live to help the exporters to avail their import requirements. We hope the government will do the needful to put in place a monitoring mechanism with timely review.

I am deeply concerned about continued downturn in exports which is not encouraging to our sector. The unprecedented decline could be partly due multiple factors like unabated lull in overseas market and slump in commodity prices and fluctuations in the currency market. However, there are certain policy initiatives which need to be undertaken urgently to spur the export's inertia and revive the domestic industry.

As per the port data received up to the March 2016, exports of Indian MMF textiles for the period April 2015 to March 2016 amounted to US\$ 4549.25 million, registering a negative growth of 10.70 percent, along all products lines i.e. Fabrics, Yarn, Made-ups and fibre. During the FY 2015-16, exports of fabrics dominated with 43 per cent share followed by Yarn (27%), Made-ups (24%) and Fibre (6%). UAE was the leading market with 13 % share in total MMF exports followed by USA 10%, Pakistan 9% and Turkey 5%. On the production side, positive signals are visible as per the IIP data, Textiles has shown 4.7 per cent growth during Feb. 2016, as compared to the same month in the previous year and 3.0 per cent growth during April- Feb. 2015-16 period as compared to the same period in the previous year. It is to be noted that this exceeds the 2.3 % and 2.6 % growth rates recorded by the manufacturing and the overall IIP growth rate respectively.

Government need to initiate extra-ordinary steps to revive exports, more so in the wake of the WTO's lower growth projection of Global trade of 2.8% this year, than the forecast of 3.9 per cent. This include revamping the trade agreements by reviewing them by a High Level Committee, greater coordination between key economic departments, enhancing ease of doing business and handholding the SMEs of some of the key labour intensive sectors like Textiles etc.

You are aware that, as per the amendments in the Articles of Association adopted by the Council in line with provision of FTP 2015-2020, the election of Vice Chairman was completed in the EGM held on 31st March, 2016 at Mumbai. Accordingly, Shri Sri Narain Aggarwal has been elected unopposed as



## MESSAGE FROM THE CHAIRMAN

Vice Chairman of SRTEPC, thus completing the compliance of para 2.92 of the Handbook of Procedure of FTP 2015-2020.

The Indian Textiles Exhibition 'INTEXPO' Morocco, Africa, Co-located with Morocco Style Fashion & Tex Fair organized by the Council from 31st March to 3rd April, 2016, was successful in providing opportunity to twenty-eight member companies of the Council to generate fruitful export business with their counterparts and establish new contacts in the region; which will help them to further expand the MMF textiles exports. I have personally attended the INTEXPO, Morocco to observe, encourage the participating members and facilitate doing smooth export business. I would like to extend my sincere gratitude to the Embassy of India, Morocco for their generous support and guidance in organizing the INTEXPO successfully in Morocco. The INEXPO was inaugurated by H.E. Dinesh Patnaik, Ambassador of India, Morocco. I wish to extend special thanks to the officials of the organizers for excellent arrangements for organizing of Morocco Style Fashion & Tex Fair.

The Council's Mega Indian Textiles exhibition 'Intexpo' Bangladesh will now be held during 30-31st May, 2016 in Pan Pacific Sonargaon Hotel, Dhaka. This exhibition offers substantial scope for all segments of textiles of Man-made fibre to increase the exports in the region. I request the members to take advantage of this exhibition and participate in large numbers to show case India's strength in Man-made fibre textiles before Bangladeshi buyers/importers, retail houses and agents.

I am glad to inform you that the Council will be organizing exclusive Buyer - Seller Meet "Source India" at Hotel Grand Bhagawati, Surat, Gujrat, during August 13th & 14th, 2016. 100 member companies will be participating in the Source India and about 150 buyers from Asia, Middle East, LAC, Africa and other countries have been invited to visit the Buyer - Seller Meet and interact with the participants. The event is being widely publicized and the expenses towards the visit of the international buyers will be subsidized by the Council with the funds received from Govt. of India. Fashion shows, Theme pavilion, and workshops/Seminars will also be organized to showcase the strength and capability of India as one of the leading producers / exporters of Textiles, especially Man-made Fibre Textiles from India. I am certain that our member companies will participate in the Buyer-Seller meet in large numbers and will take benefit.

The Department of Revenue has sought proposals from the Council for the fixation of new All Industry Rates of Duty Drawback for the year 2016 for Man-made fibre textiles products covered under Chapter 54 to 63 of the Drawback Schedule. I therefore, request you all to kindly send the required details duly filled in the prescribed proforma substantiating the data with relevant documents such as Shipping Bills, Bills of Entry and the Central Excise Invoices etc. at the earliest. This is very essential for getting enhanced drawback rate for your export products of MMF textiles.

With warm regards,

Yours sincerely,

ANIL RAJVANSHI  
CHAIRMAN

The Synthetic & Rayon Textiles Export Promotion Council

**BANGLADESH****Incentive for textile products to Eurozone raised**

The Bangladesh government has revised the cash incentive scheme for the fiscal year of 2015-2016, raising the rate of incentive for exports of textile products to the Euro zone area. According to a circular, the government increased the rate of cash incentive for export of textile products to the Euro zone area to six per cent from the current four per cent. The sector gets cash incentive as an alternative to the duty bonds and duty drawbacks facility.

The exporters who have already received the cash incentive at the existing rate will also be allowed for the additional benefit. They will have to apply within 30 days of the issuance of the circular.

Source : Fibre2fashion

**MYANMAR****Textile and clothing industry on a growth path**

The Myanmar's clothing industry is expected to grow up to 1.5 million jobs in the garment industry by 2020 compared with approximately 230,000 in mid-2015. The first Western brand to source from Myanmar was H&M in 2013 followed by Gap in 2014 and these companies appear to have paved the way for others to follow. Foreign direct investment (FDI) in the garment industry has been growing at an impressive pace in recent years and, following the removal of most sanctions, clothing exports from Myanmar shot up by 26.5 percent in 2013 and by a further 27.4 percent in 2014.

The industry's long-term growth prospects, and many issues remain to be resolved if it is to achieve the status of its bigger rivals, such as Vietnam,

China and other Asian countries in the garment exporting industry.

Source : Fibre2fashion

**PAKISTAN****Textile industry asks for a 15% regulatory duty on import of MMF yarn to protect the domestic industry**

The All Pakistan Textile Mills Association has urged the government to immediately impose a 15 per cent Regulatory Duty on the import of man-made fibres (MMF), particularly polyester viscose yarn, polyester cotton yarn and pure polyester yarn. It is learnt that the surge in the import of MMF yarns has become a matter of serious concern for the domestic industry and poses a serious threat to the survival of about two million spindles with over three million direct and indirect workforce associated with this industry. It is believed that the textile industry had been requesting the government to impose 15 per cent Regulatory Duty on the import of all MMF yarns.

**VAT on textiles to be removed**

In order to encourage the textile sector, the Government has decided that the value added tax (VAT) would become zero from July 1, 2016.

SOURCE: Fibre2fashion

**CHINA****Positive growth recorded from Xinjiang port**

Textiles and garment exports from Xinjiang port posted positive growth in January 2016 after a declining trend witnessed in the fourth quarter of last year. According to the data textile and apparel exports registered 3.64 billion yuan, showing a sharp rise of 76.3 per cent year-on-year. On a month-on-month basis, the exports were up 14.2 per cent.

Category-wise, textile yarn, fabric and made-ups grew 36.2 per cent year-on-year to 800 million yuan, accounting for 22 per cent of the total textile and clothing export value during the month. Likewise, exports of garments and accessories skyrocketed by 92.2 per cent year-on-year to 2.84 billion yuan, contributing 78 per cent to the total value of textile and apparel exports during the month. Country-wise, the exports of textiles and garments to Kyrgyzstan grew at the fastest rate of 59.3 per cent year-on-year to 1.56 billion yuan. Russia was the second best market for exports from Xinjiang port

Source : Fibre2fashion

**THAILAND****New rail network with China to help Thai exports**

A rail network connecting China and Thailand now under construction, is set to benefit Thailand by cutting transportation time for Thailand's export products. Under China's Belt and Road Initiative, China and Thailand in late 2015 launched an 845-km railway project linking the Thai capital Bangkok with the northeastern city of Nong Khai near Laos, part of a Pan-Asia railway network. The project will be connected to the China-Laos railway which connects Laos with the vast railway system in China.

Once the China-Thailand rail link is completed, it will reduce transport time from 3 to 5 days by road and sea, to just 18 hours. Freight cost is set to be lowered to about one third of that of road or sea transport, Xinhua has reported. Many Asian business people are placing high hopes on the Belt and Road Initiative, which seeks to strengthen ties with countries in central and south Asia, the Middle East and east Europe through infrastructure and communication links

Source : Fibre2fashion





## VIETNAM

### Japan to help the textile industry

Japan and Vietnam have agreed to work together for the promotion of the textile industry in Vietnam. It is learnt that The agreement, which the two sides reached at a joint committee meeting in Hanoi recently, is aimed at dealing with an expected increase in Vietnamese textile exports to the US once the Trans-Pacific Partnership (TPP) free trade agreement enters into force.

Japan, Vietnam and the US are among the 12 nations that signed the TPP deal in February. At the first meeting of the Joint Committee between Japan and Vietnam on Cooperation in Industry, Trade and Energy, the two countries also agreed to start an industrial policy dialogue at an early date and discuss specific measures. Japanese Economy, Trade and Industry Minister has expressed the country's hope of expanding bilateral trade and promoting Japanese companies' investment in Vietnam. The Japanese and Vietnamese governments agreed in July last year to establish the committee for strengthening bilateral economic cooperation.

Source : Fibre2fashion

## INDONESIA

### Exports to Japan and China up in February

Indonesia's exports to Japan and China, the country's traditional main markets, recorded positive growth in February from the month before, but accumulatively still recorded a decline year-to-date for the first two months of the year.

It is learnt that exports to Japan went up by 5.3 percent to US\$1.11 billion last month from US\$1.05 billion in January, while exports to China increased 6.6 percent to US\$945 million from US\$886 million in January. However, accumulative export figures from the first two months of 2016 showed that

Indonesia's trade performance was still weak compared with the same period of 2015. Exports to Japan in January-February, at US\$2.16 billion, marked a 5.4 percent decrease from the same month last year, while exports to China at US\$1.83 billion recorded a 9.65 percent decline.

Japan is Indonesia's second-biggest export destination, with an 11 percent market share, followed by China at 9.37 percent. The United States, Indonesia's biggest export market, has a 12.15 share. The data showed that exports to the US in February dropped 6.8 percent month-on-month to US\$1.15 billion from US\$1.23 billion. Accumulatively, January-February exports to the US were down too, by 3 percent to US\$2.38 billion compared with last year's US\$2.45 billion. In total, non-oil and gas exports in February were worth US\$10.19 billion, an increase of 8.67 percent from US\$9.37 billion in January. Nevertheless, on a year-to-date basis, January-February exports were down 9.89 percent to US\$19.56 billion from last year's US\$21.7 billion. Indonesia exports to the US, Japan and China were mainly among others textile and textile products.

SOURCE: The Jakarta Post

## USA

### Textile and clothing imports up in 2015

US textile and apparel fibre imports rose for a third consecutive year in 2015 to their highest on record, reaching 15.7 billion raw fibre equivalent pounds as compared with 14.5 billion pounds in 2014. Total product exports, on the other hand, were unchanged for the third consecutive year in 2015 at 3.7 billion pounds. US net imports consist mostly of cotton and manmade fibre products, as demand for linen, wool, and silk products remain relatively small. It is also observed that with manmade fibre imports expanding steadily in recent years, cotton's share

has declined consistently. In 2015, cotton textile and apparel products accounted for 44 per cent of the total, while Man-made fibres contributed nearly 49 per cent.

## TURKEY

### FTA with Pakistan to enhance trade and economic co-operation

Turkey and Pakistan have paved the way for a new free trade deal, which has the potential to reduce barriers in bilateral trade and investment. Both the countries signed the free trade agreement framework recently to further enhance trade and economic cooperation between the two countries.

Last year, bilateral trade was around US\$ 600 million, including US\$ 289 million in imports from Turkey. Turkey mainly exports among others textiles and machinery, while imports from Pakistan include textile yarn, cotton fabrics, plastics and organic chemicals.

Source : The Daily News

## SCANDINAVIA

### Alternative textiles potential in Scandinavia

Nordic pulp makers are developing clean ways to turn birch and pine trees into clothes or sofa covers. The move is hoped to revive their industry and meet demand from both fashion and furniture firms for alternative textiles to cotton. There has been no Nordic production of viscose, the main textile fibre from timber, since the last manufacturer stopped nearly a decade ago, while the 2011 spike in cotton prices contributed to increased global demand for viscose as well as pulp-derived lyocell. Global output of pulp for textiles is expected to grow 30% by 2020 from 4.4 million tonnes in 2015, according to Oliver Lansdell said at forest products industry consultancy Hawkins Wright. Three Nordic mills export dissolving pulp, the product that can be turned into textile fibre. The industry would like to see textile fibre factories set up at home that will meet



environmental rules and appeal to local brands like IKEA and H&M. Recycling or replacing chemicals is hailed as 'essential' to restarting production of textile fibre from timber in a region where the pulp industry's image suffered because of heavy pollution.

SOURCE: The Recycling International

## ALGERIA

### Public-Private Partnership Agreements

The Partnership agreements in the sector of textile will be signed between national public and private operators as announced by Minister of Industry and Mining of Algeria. The participation of foreign partners is necessary to win back the domestic market, which has become very demanding. Both should join forces with foreign partners so that the textile industry regains its position in the domestic market, since the complementarity between the public and private sectors with the foreign expertise will help achieve this objective according to the Minister. The sector of textile and leather, which represents a market of US\$ 4 billion in Algeria, This situation resulted in the deterioration of the sector over the past thirty years.

SOURCE: The all Africa

## KENYA

### Kenya woos investors for textiles and apparel industry

Kenya hosted potential textile and apparel investors for a business-to-business partnership where various State corporations made presentations on Kenya's attractiveness. The Export Processing Zones Authority (EPZA), and Kenya Leather Development Council (KLDC) are some of the institutions that pitched to the investors. The government is committed to have the textile sector be number one sector to invest in, EPZA, which offered various incentives such as zero-rated

import and excise duty, stamp duty and corporate tax. It also offered a potential US\$ 101 billion (Sh10 trillion) US market opportunity through the African Growth and Opportunity Act (Agoa) deal. It will house tanneries, a training centre, manufacturing facilities, chemical storage and distribution units, leather goods accessories units and a common effluent treatment plant. KLDC chief executive Labour rates in the industry stand at a low of Sh9,000 to a high of Sh12,000.

SOURCE: The Media Max

## NEPAL

### Nepal to utilize new US facility

The US government has extended duty-free market access for 66 Nepali products that include carpets, headgears, shawls and scarves, handbags and suitcases, among others, for the next 10 years to help the Nepali economy, which was shattered by the earthquakes of April and May last year. Nepal will be able to utilise the new facility extended by the US government through an exclusive law by August this year

SOURCE: Yarns&Fibers

## ZIMBABWE

### Confederation of Zimbabwe Industries (CZI) signs trade agreement

Confederation of Zimbabwe Industries (CZI) and Turkish industrial association has signed a collaboration agreement with an aim to boost trade and business linkages between them. The agreement will allow local companies to do business with Turkey with minimal hurdles and would help companies in the textile industry to boost their businesses through exports and accessing raw materials from Turkey. It was suggested for the establishment of special economic zones and fine tuning of the new labour regulations and adoption of internal devaluation approach to tame costs of production

and setting up an acceptable minimum wage. Strategies to curb imports and reverse the trade deficit, currently estimated at US\$ 3.3 billion annually were also discussed.

SOURCE: Yarns&Fibers

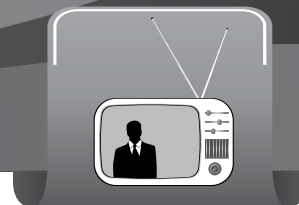
## WORLD

### WTO trims world trade growth forecast for 2016

The World Trade Organization (WTO) on Thursday trimmed its 2016 global trade growth forecast by 1.1 percentage points, saying a slowdown in China and broad market volatility continued to weigh on growth. The multilateral trade body has now predicted that global trade would rise by 2.8% in 2016, lower than its previous forecast of a 3.9% expansion announced in September last year. This will be the fifth straight year of trade growth below 3%, which is also much lower than the average annual expansion of 5% since 1990, showed the WTO data. "Risks to this forecast are mostly on the downside, including a sharper-than-expected slowing of the Chinese economy, worsening financial market volatility, and exposure of countries with large foreign debts to sharp exchange rate movements," the trade body said. There is some upside potential if monetary support from the European Central Bank succeeds in generating faster growth in the euro area, it added. The WTO has estimated global trade growth at 2.8% for 2015 as well. However, global trade could rise 3.6% in 2017, thanks to increased demand for imported goods in Asia, it said. "Trade is still registering positive growth, albeit at a disappointing rate. The crash in global commodity prices has shown few signs of reversing, while the full extent of the slowdown in the world's top commodity consumer, China, continues to remain uncertain. WTO has warned about "the threat of creeping protectionism, as many countries continue to apply trade restrictions."

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### INDIA, CHINA EXCHANGE TARIFF CUT UNDER RCEP

The world's two fastest-growing large economies, plans to liberalise trade between India and China, have gathered momentum with both sides exchanging offers on removal of a chunk of tariff lines on goods imports. Against India's offer to remove 42.5% of tariff lines under the 16-country Regional Comprehensive Economic Partnership (RCEP), China has expressed its willingness to abolish equivalent amount of tariff lines for India. Removal of tariff lines would mean that the import taxes on the items would be reduced to zero over a specified period of time. India could press for a greater commitment from China in goods. Although a final call on the products, India would like China to scrap the import duties, trade experts say India may seek duty relief for its textile exports. Cotton fibre and yarn, copper and some organic chemicals are the major items that India has exported to China this fiscal, while its imports from China include electronic items, mechanical appliances, organic chemicals, fertiliser and iron and steel. RCEP nations included more than 3 billion people, have a combined GDP of about US\$ 17 trillion, and makes up for roughly 40% of the global trade.

SOURCE: The Financial Express

### INDIA SECOND BIGGEST INVESTOR IN LONDON

India has emerged as the second biggest investor in London after the US with country's tech firms investing in the British capital at an unprecedented rate, according to latest official figures. Since 2005 there has been a 117 per cent increase in Indian companies across all business sectors investing in London, with a 133 per cent increase in tech companies investing in the city, which accounts for 46 per cent of all projects, according to the latest data released by London & Partners, the official promotional company for London. The figures showed that Indian companies are the second biggest investor in London, ahead of China and Japan, but behind the US. In the last five years, investment in Indian tech companies has rocketed seven times from USD 454 million (Rs 3049 crore) in 2011 to USD 3.3 billion (Rs 22,165 crore) last year. It is said "India has some of the brightest talents in the world, should think global and they have to be the best India is a huge growing market, "Once the GST (Goods and Services Tax) comes into force, it will help Indian companies a great deal. Indian companies are now the second biggest foreign investor in London." The winners

of the IE20 programme designed to identify Indian companies destined for global growth to support Indian businesses looking to scale up and Internationalise.

SOURCE: The Economic Times

### SPEED UP FTAS' TO GIVE BOOST TO TEXTILE EXPORTS

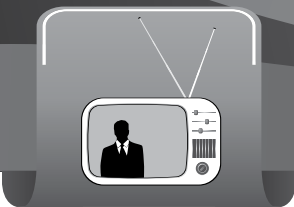
Indian textile sector is at big disadvantage compared to Bangladesh and Vietnam as it does not have FTAs with U.S., Canada and Europe. Least developed countries are exporting at zero duty while India's exports are subject to 10 to 14 percent duty. Hence, the Textile Ministry has urged the Government to expedite Free Trade Agreements (FTAs) with the U.S. and European Union to help double exports, said the Secretary Textiles, Ms. Rashmi Verma. India's labour and wages cost are not able to compete with Bangladesh and Vietnam. As far as quality and branding is concern, they are on par with them. However, there should be balanced duty structure. FTAs will give a big boost. Currently, the exports stand at Rs.2.5 lakh crore and the vision is to double it in the next 10 years. .

However, Ministry is hopeful of achieving the target for 2015-16 which is pegged at US\$ 47.5 billion, as most of the export happens in the last four-five months.

SOURCE: Yarns&Fibers

### INDIAN RUPEE HITS OVER 2-MONTH HIGH OF 66.75

The Indian rupee today closed at an over two-month high of 66.75 per US dollar by gaining 47 paise on persistent selling of the American currency by banks and exporters after the US Fed indicated a slower pace on rate hike. Fresh foreign capital inflows also boosted the rupee value against the dollar. The benchmark Sensex ended steady at 24,677.37 after moving in a wide range of 24,948.30 and 24,576.52. The rupee resumed higher at 66.90 as against the previous closing level of 67.22 per dollar at the Interbank Foreign Exchange market and firmed up further to 66.64 before ending at more than 2-month high at 66.75, showing a gain of 47 paise or 0.70 per cent. It had last ended at 66.63 per dollar on January 8, 2016. The rupee has gained by 63 paise or 0.93 per cent in two days. Weakness in the US dollar persisted during Asia trade, briefly hitting a three-week low against the yen. The dollar dropped swiftly and sharply against main rivals today after the Federal Reserve cut an old projection for US interest rate hikes to two from four for 2016, a move that initially spurred a risk-on rally throughout global equities and oil.



The RBI fixed the reference rate for the dollar at ₹ 66.8806 and euro at ₹ 75.0735. In cross-currency trades, the rupee dropped against the pound sterling to finish at ₹ 95.76 from ₹ 94.73 and also moved down against the euro to close at ₹ 75.49 from ₹ 74.48. The domestic unit fell against the yen to settle at ₹ 59.97 per 100 yen from ₹ 59.24.

SOURCE: The Financial Express

### **MAHARASHTRA HIKES GENERAL VAT RATE MARGINALLY**

The Maharashtra government has marginally increased the general VAT rate from 5 to 5.5 per cent in the State budget. The increase is in anticipation of revenues losses when Goods and Services Tax (GST) gets implemented. While this makes goods and services in the State dearer by 0.5 per cent, there are other product-specific changes in the tax structure. It is proposed to periodically obtain information from e-commerce companies regarding sales-purchase transactions made on the portal. A penalty shall be imposed upon a portal for not furnishing the information. On the payment of profession tax, eligible taxpayers who have not paid profession tax in the preceding eight years will be held liable to pay taxes.

SOURCE: The Hindu Business Line

### **GERMAN SMES TO INVEST RS 3,000 CRORE TO SET UP PROJECTS IN INDIA**

German Small and Medium Enterprises (SMEs) have pledged to invest over Rs 3,000 crore for the 'Make in India' initiative for setting up of new manufacturing plants and projects. The German SME's (Mittelstand) have committed an investment of over Rs 3,000 crores for 'Make In India' under the Make in India Mittelstand (MIIM) initiative. The investments will result in setting up of 15 new manufacturing plants, 6 expansion projects and 2 pilot projects covering the states of Maharashtra, Gujarat, Karnataka and Tamil Nadu. MIIM, launched in September 2015, is an investment facilitation programme being implemented by the Indian Embassy in Berlin with the support of Department of Industrial Policy and Promotion (DIPP) and Investment and Technology Promotion (ITP), Division of the Ministry of External Affairs to attract investments by German Mittelstand (SME) companies.

SOURCE: The Economic Times

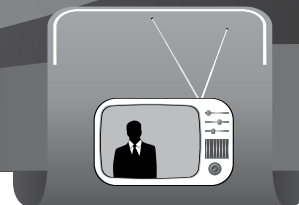
### **NEW EU RULE FOR GSP KICKS IN**

Indian exporters enjoying preferential access into the EU market through the Generalised System of Preferences (GSP) scheme face a tough technical challenge. From next year, they may have to self-certify the origin of their goods, instead of accredited agencies, in order to avail of benefits under the scheme. This could prove to be a complicated process and might also lead to black-listing of firms if errors creep in. The government plans to train exporters as they would have to log into the EU website and go through established procedures to generate rules of origin certificates. In case of wrong entries leading to erroneous rules of origin certificate, there could be adverse rulings not for just the particular exporter but the entire sector," the official said. Countries have the option of requesting the EU for more time to switch over to the new system, but India is attempting to meet next year's deadline. Under the EU's GSP scheme, developing countries are eligible to pay less or no duties on their exports to the EU as long as the total exports are below a specified threshold. India, China and Brazil are among the top beneficiaries of the EU's GSP scheme with almost 40 per cent of items being exported from India, including garments, jewellery, handicrafts and certain engineering items, gaining from it. Once the new system kicks in, the government will appoint one agency as the 'competent authority' to register all exporters who would be participating in the self-certification process and pass on the details to the EU.

SOURCE: The Hindu Business Line

### **RCEP NEGOTIATIONS IN APRIL IN AUSTRALIA**

The next round of negotiations for the proposed mega trade deal, Regional Comprehensive Economic Partnership (RCEP), would take place in April in Australia. In the meeting, India is expected to press for greater market access in services sector, particularly easy movement of professionals, an official said. "The 11th round of talks was concluded last month in Brunei. The 12th round of negotiations is scheduled at Perth in Australia from April 22," the official said. Besides liberalisation of the services sector, the other issues, which may come up in the talks include matters related to goods tariffs. "In the goods sector, India has asked the members to fulfil their commitments as their current offers are not up to the level they have committed. The 16-member bloc RCEP comprises 10 Asean members (Brunei, Cambodia, Indonesia, Malaysia, Myanmar, Singapore, Thailand, the Philippines, Laos and Vietnam)



and their six free trade agreement partners India, China, Japan, South Korea, Australia and New Zealand.

SOURCE: The Economic Time

### **RELIANCE EXTENDS RECRO SHT BRAND TO PRECOT MERIDIAN'S SEWING THREADS**

Reliance Industries Ltd. (RIL) - one of the largest manufacturer of synthetic fibre in the world has signed a Co-branding agreement for polyester sewing thread yarn range manufactured by Coimbatore, based Precot Meridian Ltd. (Precot) - a leading yarn manufacturer and exporter of yarn and thread in India. As per the agreement, Precot will manufacture grey and coloured polyester sewing thread yarns, using Reliance's Recro SHT, the world's best quality super high tenacity fibre. This yarn will then be sold, co-branded with Recro SHT., RIL will also provide marketing and branding support to Precot to establish Recro SHT as a leading brand. RIL and Precot will jointly conduct research and development work to further enhance Recro SHT sewing thread's quality, and will also explore new business opportunities. Reliance will help Precot to reach out to key stakeholders, more importantly spoolers and apparel manufacturers, to create awareness about the benefits of using the standardised quality products.

Source: Tecoya Trend

### **HONG KONG TEXTILE EYE INDIA AS ALTERNATIVE PRODUCTION BASE TO CUT COST**

The production costs on the Chinese mainland has eroded the profit margins of many Hong Kong companies with labour-intensive factories located on the Chinese mainland, prompting them to seek alternative production bases elsewhere. India is rising as a new choice of relocating labour-intensive industries from China and also as a retail market of good potential, according to research report by The Hong Kong Trade Development Council (HKTDC). Hong Kong as the gateway for Indian companies to the Chinese markets, the HKTDC is promoting India as an alternative manufacturing base for its industries based in China. Many big Indian exporters have successfully lined up with international buyers, including department stores, retail chains and brands. With advantages of raw materials and prospects of vertical integration, India is a strong garment exporting country and a location worth considering for factory relocation in relation to labour-intensive manufacturing, such as garment-making. India stands out to be a substantial exporter in both garments and textiles. For textile exports alone,

India was second after China in 2014, with a share of 5.8 per cent of the global market, compared to China's enormous 35.6 per cent share.

SOURCE: Global textiles

### **TEXTILE EXPORTERS FEEL THE NEED FOR REVIEW OF TRADE PACTS TO MAKE THEM COMPETITIVE**

India's merchandise exports have been contracting for the last 15 months. India's 40% of the total exports are handled by the MSME sector which feels that it's the country's trade agreements which are not helping them much for competing globally. The textile exporters have been seeking review of India's trade agreements like the Free Trade Agreements (FTAs) and Preferential trade Agreements (PTAs) to check decline. Experts opine that India has signed many trade pacts, more for geo-political reasons rather than commercial reasons. It were said, Still there is a "policy paralysis" from the government side. "Our internal costs are very high. Also, the trade agreements are against us. Bangladesh and other countries have free access to European market but our materials are 10-12% costlier. Vietnam is India's competitor now. Therefore "India should finalize its stuck treaties. The government should also bring down the internal transaction costs and port charges to make Indian exporters competitive.

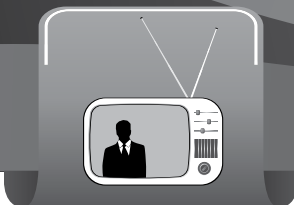
Meanwhile, Arvind Sinha, President of the Textile Association (India) told KNN that the falling exports could be blamed on the global slowdown and cannot blame government for everything. The Government is formulating new policies. We have to expand our capacities. In India's merchandise exports, the top 20 categories account for four-fifth of the total exports. Even in top export categories like textiles, India is exporting low value commodities such as cotton yarn or apparel rather than technical textiles.

SOURCE: The KNN India

### **IMPORTED TEXTILES, CHOCOLATES, MEDICINES TO SEE 'SWIFT' CUSTOM CLEARANCE AT INDIAN PORTS**

Imported textiles, chocolates and medicines and plant products will now see 'swift' passage to India, with the country joining the league of select nations to launch 24x7 Single Window Interface for Facilitating Trade at customs ports. Importers and exporters will now have to file just one form at customs ports for clearance from all agencies including the Food Safety and Standards Authority of India, Drug Controller General of India,





Plant Quarantine and Wildlife Crime Control Bureau. Imports will be subject only to risk-based checks by all these agencies instead of compulsory 100% testing. This will bring down paper work at customs to one form from nine earlier and clearance time of cargo to two-three days, significantly reducing transaction costs for traders. Finance minister Arun Jaitley had announced single-window customs clearance in his budget speech. India is ranked 133 in the World Bank's ease of doing business ranking on the "trading across borders" parameter because of time-taking paper work and high costs. Border compliance for imports takes 311 hours compared to nine hours in high-income OECD countries. Documentary compliance takes 67 hours and four hours, respectively. Border and documentary compliance for imports together cost US\$ 695 in India compared to US\$ 148 in OECD countries, the ranking shows. A similar situation prevails in the case of exports. The new system is expected to reduce both time and costs.

SOURCE: The Economic Times

### **'SUBSTANTIAL HEADWAY' IN INDIA, AUSTRALIA FTA TALKS**

Expecting a 'substantial headway' in negotiations for the proposed free trade agreement (FTA) with Australia, Finance Minister Arun Jaitley has expressed hope for substantial headway is made and the grey areas are sorted out. During his visit, he had met Australian Minister for Trade and Investment Andrew Robb, who is coming to India next week. Quoting Jaitley, AFR Weekend, said that the minister wants to see the negotiations to conclude in an expeditious manner but it was not up to him as the subject was led by Commerce and Industry Minister Nirmala Sitharaman. The talks for a comprehensive economic cooperation agreement (CECA), also known as FTA, between India and Australia were started in 2011 to provide fillip to both trade and investments between the two countries. Both the sides were expecting to conclude the negotiations as early as possible but there were differences on areas like duty cut in dairy and wines. Several rounds of negotiations have been completed for liberalising trade and services regime besides removing non-tariff barriers and encouraging investments. Australia is pushing for tariff reduction in dairy, fresh fruit, pharma, meats and wines. On the other hand, India wants zero duty on auto parts, textiles, and

fresh fruits, including mangoes and greater access in services sector. The India-Australia bilateral trade stood at USD 13 billion in 2014-15 as against USD 12.12 billion in the previous fiscal.

SOURCE: The Financial Express

### **INDIA, SAUDI ARABIA VOW TO BOOST TRADE TIES**

In context with Prime Minister Narendra Modi's visit to Saudi Arabia, India and Saudi Arabia today vowed to substantially boost investments and their trade ties. As the Prime Minister invited cash-rich Saudi firms to invest in infrastructure and form joint ventures for oil exploration. Both countries agreed to forge a deeper partnership in energy sector focusing on investment and joint venture in petrochemical complex. "The two leaders emphasised the importance of expanding trade and investment ties to drive the strategic engagement forward. There has been a steady increase in bilateral trade, which stood at USD 39 billion in 2014-15. "The two leaders agreed upon the need to further strengthen these ties, particularly through diversifying non-oil trade.

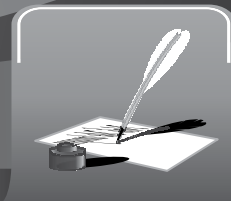
SOURCE: The Financial Express

### **RBI CUTS REPO RATE BY 25 BPS TO 6.5%**

In its first monetary policy review for the financial year 2016-17, the Reserve Bank of India announced a 25 basis point reduction in the repo, or repurchase rate, which is the rate at which banks borrow from the central bank. One basis point is one hundredth of a percentage point. The repo rate now stands at 6.5%. The RBI also left the cash reserve ratio unchanged at 4%. Reuters poll had predicted an interest rate of 25 basis points. Essentially, the cut suggests that the RBI has taken note of the central government's commitment to fiscal discipline. In the Budget for FY2017, Finance Minister Arun Jaitley had reaffirmed the government's intention to contain fiscal deficit at 3.9% of GDP. A Business Standard report points out that Indian private sector companies are not expected to press the pedal on fresh capital expenditure in the financial year 2016-17, or FY17, mainly because of low capacity utilisation of existing units, highly leveraged balance sheets and static demand.

SOURCE: The Business Standard





## INDEX OF INDUSTRIAL PRODUCTION (IIP) (APRIL-FEBRUARY 2015-16)

### HIGHLIGHTS

- The Index of Industrial Production (IIP) registered a growth of 2% in February, 2016 over the index of February, 2015.
- The Cumulative overall growth of IIP registered an increase of 2.6% during April-February, 2015-16 over the corresponding period of the previous year.
- The Index of Industrial production for the month of February 2016 for Textiles sector grew by 4.7% as compared to February 2015. The cumulative growth in Textiles Sector during April-February 2015-16 over the corresponding period of 2014-15 has been 3%.
- The index of manufacturing sector has increased by 0.7% during the month of February 2016, while the cumulative growth during April-February 2015-16 over the corresponding period of the previous year stands at 2.3%.

The Statement below gives the Quick Estimates of growth rate of the Index of Industrial Production (IIP) at 2 digit level of National Industrial Classification (NIC-2004) for the period of April-February 2015-16, along with the cumulative growth rates over corresponding month/period of the previous year:

Industry code	Description	Percentage growth				
		April '15	Jan '16	Feb '16	Apr-Jan 2015-16	Apr-Feb 2015-16
17	Textiles	4.4	3.8	4.7	2.8	3.0
18	Wearing apparel	10.1	-1.7	-8.5	7.5	5.8
15-36	Manufacturing	5.1	-2.8	0.7	2.5	2.3
	General	4.1	-1.5	2.0	2.7	2.6

Source : Ministry of Statistics & Programme Implementation (MOSPI) [www.mospi.nic.in](http://www.mospi.nic.in)

### NCTO Welcomes U.S.-China MOU To Terminate Chinese Export Subsidies

April 15, 2016

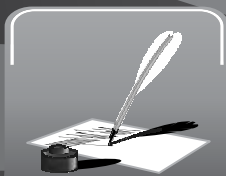
WASHINGTON, DC — April 14, 2016 — The National Council of Textile Organizations (NCTO) applauded today's announcement of a memorandum of understanding (MOU) between the United States and China with respect to an agreement by China to terminate export subsidies under its "Demonstration Bases-Common Services Platform". "We thank the Obama administration for working diligently to construct an arrangement to eliminate these subsidies which directly damage U.S. manufacturing jobs, output and investment," said NCTO CEO & President Augustine Tantillo. "There is no doubt that China's rise to become the world's largest exporter of textile and apparel products has been aided by a pervasive series of illegal state-sponsored subsidies," Tantillo continued. "These subsidies are clearly inconsistent with the rules of the World Trade Organization, and they are unfair to domestic textile manufacturers and the hundreds of thousands of U.S. workers they employ," Tantillo added.

"Our companies must play by free-market rules, and it is time that Chinese textile manufacturers do the same," Tantillo concluded. NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers.

- U.S. employment in the textile supply chain was 579,000 in 2015.
- The value of shipments for U.S. textiles and apparel was \$76 billion last year, a nearly 14% increase since 2009.
- U.S. exports of fiber, textiles and apparel are up 38% over that same time period, reaching \$27.75 billion in 2015.
- Capital expenditures for textile and apparel production totaled \$2 billion in 2014, the last year for which data is available.

Posted April 15, 2016

Source: National Council of Textile Organizations (NCTO)



## BANGLADESH WITH CONSIDERABLE MARKET POTENTIAL FOR INDIAN MMF TEXTILES EXPORTS

(Continued from Page 2)

### BANGLADESH'S TEXTILE AND CLOTHING IMPORTS FROM WORLD DURING 2014

Value in US\$ Mn

Chapter	Product Description	Value in 2014	Annual Growth in value between 2010-2014, % p.a.	Share in World's imports, %
50	Silk	4.84	-59.58	0.05
51	Wool, animal hair, horsehair yarn and fabric thereof	73.04	84.89	0.76
52	Cotton	5271.18	9.34	54.78
53	Vegetable textile fibres nes, paper yarn, woven fabric	120.91	1222.23	1.26
54	Manmade filaments	789.71	55.45	8.21
55	Manmade staple fibres	1434.49	55.98	14.91
56	Wadding, felt, nonwovens, yarns, twine, cordage, etc	101.39	395.73	1.05
57	Carpets and other textile floor coverings	10.49	234.85	0.11
58	Special woven or tufted fabric, lace, tapestry etc	368.47	463.78	3.83
59	Impregnated, coated or laminated textile fabric	277.76	285.44	2.89
60	Knitted or crocheted fabric	777.37	266.00	8.08
61	Articles of apparel, accessories, knit or crochet	119.91	861.68	1.25
62	Articles of apparel, accessories, not knit or crochet	203.09	-65.45	2.11
63	Other made textile articles, sets, worn clothing etc	69.13	228.34	0.72
	<b>Total</b>	<b>9621.77</b>		

### BANGLADESH'S TEXTILE AND CLOTHING IMPORTS FROM INDIA DURING 2014

Value in US\$ Mn

Chapter	Product Description	Value in 2014	Annual Growth in value between 2010-2014, % p.a.	Share in Bangladesh's imports, %
50	Silk	0.05	-72.19	0.00
51	Wool, animal hair, horsehair yarn and fabric thereof	3.00	554.47	0.14
52	Cotton	1647.11	75.90	78.98
53	Vegetable textile fibres nes, paper yarn, woven fabric	5.48	241.28	0.26
54	Manmade filaments	83.39	2.64	4.00
55	Manmade staple fibres	223.33	358.68	10.71

Chapter	Product Description	Value in 2014	Annual Growth in value between 2010-2014, % p.a.	Share in Bangladesh's imports, %
56	Wadding, felt, nonwovens, yarns, twine, cordage, etc	1.88	48.93	0.09
57	Carpets and other textile floor coverings	0.02	-79.57	0.00
58	Special woven or tufted fabric, lace, tapestry etc	6.01	79.03	0.29
59	Impregnated, coated or laminated textile fabric	15.26	1808.00	0.73
60	Knitted or crocheted fabric	52.30	654.69	2.51
61	Articles of apparel, accessories, knit or crochet	6.23	235.51	0.30
62	Articles of apparel, accessories, not knit or crochet	36.18	136.54	1.74
63	Other made textile articles, sets, worn clothing etc	5.13	177.44	0.25
	<b>Total</b>	<b>2085.38</b>		

Source: ITC

### EXPORTS OF INDIAN MMF TEXTILES TO BANGLADESH DURING LAST FIVE YEARS

Value in US\$ Mn

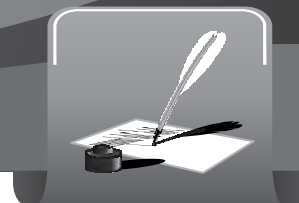
Year	Fabrics	Made-up	Yarn	Fibre	Total	%Gr/Dec
2010-2011	57.94	2.57	49.52	24.02	134.05	
2011-2012	61.18	2.42	48.85	16.47	128.92	-3.83%
2012-2013	88.48	4.57	53.22	27.64	173.91	34.90%
2013-2014	117.43	5.71	75.07	35.58	233.79	34.43%
2014-2015	216.22	5.18	84.3	31.99	337.69	44.44%

Source: DGCI&S, Kolkata, MOC

### India's main Items of export to Bangladesh during 2014-15

Fabrics	: Polyester Viscose Fabrics Woven Polyester Filament Fabrics Woven
Made-ups	: Labels, Bed Sheet, Shawls/scarves
Yarn	: Polyester Filament Yarn Viscose Cotton Yarn Polyester Cotton Yarn Viscose Spun Yarn Polyester Spun Yarn
Fibre	: Polyester Staple Fibre Viscose Staple Fibre





Bangladesh is a growing market for textiles and clothing products. Exports of Indian MMF textiles to Bangladesh have been steadily growing during 2014-15 emerging as the 5th market for Indian MMF textile exports.

### Imports by Bangladesh from leading market during 2014

#### Man-made filaments (Chapter 54)

Main partner Countries	Imported value 2014, USD thousand	Share in Bangladesh's imports, (%)
World	751,987	100
China	403,706	53.69
Taipei, Chinese	101,652	13.52
India	83,386	11.09
Thailand	30,647	4.08
Hong Kong	15,302	2.03

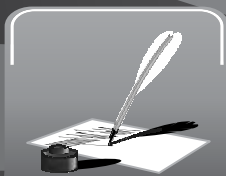
#### Man-made staple fibres (Chapter 55)

Main partner Countries	Imported value 2014, USD thousand	Share in Bangladesh's imports, (%)
World	1,422,162	100
China	794,134	55.84
India	223,328	15.70
Indonesia	97,540	6.86
Thailand	97,338	6.84
Taipei, Chinese	23,693	1.67

### Major products of MMF Textiles imported by Bangladesh from World during 2014

HS Code	Product Description	Imported value in 2014, USD Thousand
540752	Woven fabrics, >=85% of textured polyester filaments, dyed, nes	171,867
540233	Textured yarn nes, of polyester filaments, not put up for retail sale	124,985
550932	Yarn, >=85% acrylic/modacrylic staple fibres, multiple, not put up, nes	114,375
550320	Staple fibres of polyesters, not carded or combed	113,512
551622	Woven fabrics of artificial staple fib, <85%, mixed with man-made fi, dyd	90,071
540761	Woven fabric >85% non-textured polyester filaments	86,792

HS Code	Product Description	Imported value in 2014, USD Thousand
551511	Woven fab of polyester staple fib mixd w viscose rayon staple fib, nes	69,939
540742	Woven fabrics, >=85% of nylon/other polyamides filaments, dyed, nes	66,790
550922	Yarn, >=85% of polyester staple fibres, multiple, not put up, nes	65,425
551311	Plain weave polyest stapl fib fab, <85%, mixed w/cotton, <=170g/m2, unbl/bl	65,369
551321	Plain weave polyester staple fib fab, <85%, mixed w/cotton, <=170g/m2, dyd	57,925
550130	Filament tow of acrylic or modacrylic	54,664
550810	Sewing thread of synthetic staple fibres	47,060
550200	Artificial filament tow	45,598
551229	Woven fabrics, containing >=85% of acrylic staple fibres, o/t unbl or bl	44,196
550931	Yarn, >=85% of acrylic or modacrylic staple fibres, single, not put up	43,997
551331	Plain weave polyest stapl fib fab, <85% mixed w/cot, <=170g/m2, yarn dyd	43,283
550962	Yarn of acrylic staple fibres mixed with cotton, not put up, nes	37,334
540244	Synthetic filament elastomeric yarn, single, untwisted or with a twist	34,847
550410	Staple fibres of viscose, not carded or combed	34,343
551012	Yarn, >=85% of artificial staple fibres, multiple, not put up, nes	34,288
550969	Yarn of acrylic staple fibres, not put up, nes	29,238
540247	Filament yarn of polyester, incl. monofilament of < 67 decitex, single	28,831
551011	Yarn, >=85% of artificial staple fibres, single, not put up	28,755
551422	Twill weave polyester staple fibre fab, <85%, mixed w/cotton, >170g/m2, dyd	27,205
550953	Yarn of polyester staple fibres mixed with cotton, not put up, nes	25,138
551614	Woven fabrics, containing >=85% of artificial staple fibres, printed	24,897
540769	Woven fabric >85% polyester filaments, nes	23,520
551423	Woven fabrics of polyester staple fib, <85%, mixed w/cot, >170 g/m2, dyed	22,398
540754	Woven fabrics, >=85% of textured polyester filaments, printed, nes	22,231
551090	Yarn of artificial staple fibres, not put up, nes	20,769
540772	Woven fabrics, >=85% of synthetic filaments, dyed, nes	20,575
551030	Yarn of artificial staple fibres mixed with cotton, not put up, nes	19,659



HS Code	Product Description	Imported value in 2014, USD Thousand
550921	Yarn, >=85% of polyester staple fibres, single, not put up	19,185
540110	Sewing thread of synthetic filaments	18,068
551219	Woven fabrics, containing >=85% of polyester staple fibres, o/t unbl or bl	16,501
551612	Woven fabrics, containing >=85% of artificial staple fibres, dyed	14,334
550961	Yarn of acrylic staple fib mixd w wool/fine animal hair, not put up, nes	14,278
540249	Yarn of synthetic filaments, single, untwisted, nes, not put up	13,294
540782	Woven fabrics of synthetic filaments, <85% mixed with cotton, dyed, nes	12,058
540231	Textured yarn nes, of nylon/oth polyamides fi, <=50tex/s.y., not put up	11,769
540710	Woven fab of high tenacity fi yarns of nylon oth polyamides/polyesters	10,393
551339	Woven fab of oth syn staple fib, <85% mixd w/cot, <=170g/m2, yarn dyd	10,353
540262	Yarn of polyester filaments, multiple, nes, not put up	10,037

### Major apparel products (Chapter 61 & 62) exported by Bangladesh to World during 2014

HS Code	Product Description	Exported value in 2014, USD Thousand
610910	T-shirts, singlets and other vests, of cotton, knitted	4,799,106
620342	Mens/boys trousers and shorts, of cotton, not knitted	4,724,076
620462	Womens/girls trousers and shorts, of cotton, not knitted	2,654,019
611020	Pullovers, cardigans and similar articles of cotton, knitted	2,225,025
620520	Mens/boys shirts, of cotton, not knitted	1,964,766
611030	Pullovers, cardigans and similar articles of man-made fibres, knitted	1,803,730
610510	Mens/boys shirts, of cotton, knitted	827,318
610462	Womens/girls trousers and shorts, of cotton, knitted	710,698
611120	Babies garments and clothing accessories of cotton, knitted	569,327
610990	T-shirts, singlets and other vests, of other textile materials, knitted	464,495
620630	Womens/girls blouses and shirts, of cotton, not knitted	400,380
620920	Babies garments and clothing accessories of cotton, not knitted	384,461

HS Code	Product Description	Exported value in 2014, USD Thousand
620343	Mens/boys trousers and shorts, of synthetic fibres, not knitted	368,197
620530	Mens/boys shirts, of man-made fibres, not knitted	336,956
620193	Mens/boys anoraks and similar articles, of man-made fibres, not knitted	327,196
610610	Womens/girls blouses and shirts, of cotton, knitted	282,692
621210	Brassieres and parts thereof, of textile materials	272,746
610711	Mens/boys underpants and briefs, of cotton, knitted	270,875
610821	Womens/girls briefs and panties, of cotton, knitted	255,954
610342	Mens/boys trousers and shorts, of cotton, knitted	221,690
620293	Womens/girls anoraks & similar article of man-made fibres, not knitted	206,141
621040	Mens/boys garments nes, made up of impreg, ctd, cov, etc, textile woven fab	199,568
610442	Womens/girls dresses, of cotton, knitted	192,385
610831	Womens/girls nightdresses and pyjamas, of cotton, knitted	186,314
620463	Womens/girls trousers and shorts, of synthetic fibres, not knitted	162,807
620640	Womens/girls blouses and shirts, of man-made fibres, not knitted	156,353
610463	Womens/girls trousers and shorts, of synthetic fibres, knitted	146,727
620469	Womens/girls trousers & shorts, of other textile materials, not knitted	136,888

### Major products of Other made textile articles, sets, worn clothing etc (Chapter 63) imported by Bangladesh from World during 2014

HS Code	Product Description	Imported value in 2014, USD Thousand
630140	Blankets (o/t electric) and travelling rugs, of synthetic fibres	17,090
630900	Worn clothing and other worn articles	14,151
630790	Made up articles, of textile materials, nes, including dress patterns	11,154
630491	Furnishing articles nes, of textile materials, knitted or crocheted	5,388
630411	Bedspreads of textile materials, nes, knitted or crocheted	2,200
630539	Sacks & bags, for packing of goods, of other man-made textile materials	1,648



HS Code	Product Description	Imported value in 2014, USD Thousand
630291	Toilet and kitchen linen, of cotton, nes	1,600
630319	Curtains, drapes, interior blinds & curtain/bd valances, oth tex mat, knit	1,344
630493	Furnishing articles nes, of synthetic fibres, not knitted or crocheted	1,133
630419	Bedspreads of textile materials, nes, not knitted or crocheted	1,031
630260	Toilet & kitchen linen, of terry towelling or similar terry fab, of cotton	969
630221	Bed linen, of cotton, printed, not knitted	922
630190	Blankets (o/t electric) and travelling rugs, of other textile materials	915
630710	Floor-cloths, dish-cloths, dusters & similar cleaning cloths, of tex mat	904

### Leading Supplier of Other made textile articles, sets, worn clothing etc. (Chapter 63) to Bangladesh in 2014

Main Partner Countries	Imported value 2014 USD thousand	Share in Bangladesh's imports, %
World	68,948	100
China	45,131	65.46
Korea, Republic of	18,192	26.39
Thailand	3,190	4.63
Taipei, Chinese	1,171	1.70
Hong Kong	262	0.38

### Import Duty Structure of Bangladesh

Bangladesh's import tariffs are applied on the c.i.f. (cost, insurance, freight and other charges) value.

	HS Chapter/ Subheading	Tariff Rate Range (%)
<b>Yarn</b>		
- silk	5003-5006	10
- wool	5105-5110	5
- cotton	5204-5207	5 - 10
- other vegetable fiber	5306-5308	10 - 25
- man-made fiber	5401-5406/5501-5511	5 - 25
<b>Woven Fabric</b>		
- silk	5007	25
- wool	5111-5113	25
- cotton	5208-5212	25
- other vegetable fiber	5309-5311	25

- man-made fiber	5407-5408/5512-5516	25
Knit Fabric	60	25
Non Woven Fabric	5603	25
Industrial Fabric	59	2 - 25
Apparel	61-62	10 - 25
Home Furnishings including: bed, bath, kitchen linens, etc.	63	5 - 25
Carpet	57	25

### Government's Initiatives for enhancing Logistical Facilities

The Government of India has recently taken proactive initiatives to facilitate bilateral trade between India and Bangladesh like extending working hours at Petrapole, aligning the weekly holiday with Bangladesh, allowing movement of trucks carrying export cargo up to the LCS of the importing country for discharge of cargo, regular meetings between the jurisdictional commissioners of Customs of India and Bangladesh as well as meetings at the border to address issues of concern to the trade, etc. The same will enormously help in increasing exports of Indian MMF textiles to Bangladesh.

The Council has also requested for a system to be introduced by which trucks from India may be given permission to reach goods directly to factories in Bangladesh which may substantially reduce the role of middle men and leakages.

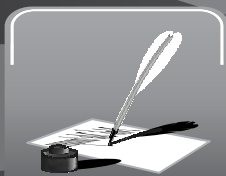
### SRTEPC Promotional Programme

Bangladesh is also a potential market for other textile products like Cotton, Apparels, etc. Hence, there is substantial scope for all segments of Indian textiles to increase their market shares in Bangladesh.

In view of the scope for further increasing export of Indian textiles products including Man-made fibre textiles to Bangladesh, the Council is planning to organize Mega Indian Textiles Exhibition in Bangladesh during 30-31 May, 2016. Thus, the Council requests its member-companies to participate in a big way to showcase India's strength in manmade fibre textiles before Bangladeshi buyers/importers, retail houses, agents, etc. and take advantage of the event.

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## EXPORT PROMOTION SCHEMES FOR TEXTILE SECTOR IN INDIA

As you are aware, the Foreign Trade Policy 2015-20 has provided different Schemes to the Textile Sector to boost India's exports with the objective to offset infrastructural inefficiencies and associated costs involved to provide exporters a level playing field. Brief of these Schemes are as under:

### a) Merchandize Exports from India (MEIS) Scheme

The Scheme was launched in April 2015. The MEIS provides duty reward to eligible textile and apparel categories to an extent of 2% to 5% of FOB value in the countries categorized as per the criteria prescribed under the Scheme. The following List of Countries appearing in Appendix 3B-MEIS Schedule of Table 1 were notified initially:

#### Appendix 3B-MEIS Schedule

Table 1	
<b>I Country Group A</b>	(1) Austria, (2) Belgium, (3) Bulgaria, (4) Canada, (5) Croatia, (6) Cyprus, (7) Czech Republic, (8) Denmark, (9) Estonia, (10) Finland, (11) France, (12) Germany, (13) Greece, (14) Hungary, (15) Ireland, (16) Italy, (17) Latvia, (18) Lithuania, (19) Luxembourg, (20) Malta, (21) Netherlands, (22) Poland, (23) Portugal, (24) Romania, (25) Slovak Republic, (26) Slovenia, (27) Spain, (28) Sweden, (29) United Kingdom, (30) United States of America
<b>II Country Group B</b>	(1) Algeria, (2) Angola, (3) Antigua, (4) Argentina, (5) Armenia, (6) Azerbaijan, (7) Bahamas, (8) Bahrain, (9) Barbados, (10) Belarus, (11) Belize, (12) Benin, (13) Bermuda, (14) Bolivia, (15) Botswana, (16) British Virgin Islands, (17) Brazil, (18) Brunei, (19) Burkina Faso, (20) Burundi, (21) Central African Republic, (22) Cambodia, (23) Cameroon, (24) Canary Island, (25) Cape Verde Island, (26) Cayman Island, (27) Chad, (28) Chile, (29) China PRP, (30) Colombia, (31) Comoros, (32) Congo Democratic Republic, (33) Congo Republic, (34) Costa Rica, (35) Cote D' Ivoire, (36) Cuba, (37) Djibouti, (38) Dominic Rep, (39) Dominica, (40) Ecuador, (41) Egypt , (42) El Salvador, (43) Equatorial Guinea, (44) Ethiopia, (45) Falkland Island, (46) French Guiana, (47) Gabon, (48) Gambia, (49) Georgia, (50) Ghana, (51) Grenada, (52) Guadeloupe, (53) Guatemala, (54) Guinea, (55) Guinea Bissau, (56) Guyana, (57) Haiti, (58) Honduras, (59) Indonesia, (60) Iran, (61) Iraq, (62) Israel, (63) Jamaica, (64) Japan, (65) Jordan, (66) Kazakhstan, (67) Kenya, (68) Korea Republic (South Korea), (69) Kuwait, (70) Kyrgyzstan, (71) Lao PDR, (72) Lebanon, (73) Lesotho, (74) Liberia, (75) Libya, (76) Madagascar, (77) Malawi, (78) Malaysia, (79) Mali, (80) Martinique, (81) Mauritania, (82) Mauritius, (83) Mexico, (84) Moldova, (85) Montserrat, (86) Morocco, (87) Mozambique, (88) Myanmar, (89) Namibia, (90) Netherland Antilles, (91) Nicaragua, (92) Niger, (93) Nigeria, (94) Oman, (95) Panama Republic, (96) Paraguay, (97) Peru, (98) Philippines, (99) Qatar, (100) Reunion, (101) Russia, (102) Rwanda, (103) Sao Tome, (104) Saudi Arab, (105) Senegal, (106) Seychelles, (107) Sierra Leone, (108) Singapore, (109) Somalia, (110) South Africa, (111) St Helena, (112) St Kitt N A, (113) St Lucia, (114) St Vincent, (115) Sudan, (116) Suriname, (117) Swaziland, (118) Syria, (119) Taiwan, (120) Tajikistan, (121) Tanzania Republic, (122) Thailand, (123) Togo, (124) Trinidad, (125) Tunisia, (126) Turkey, (127) Turkmenistan, (128) Turks and Caicos Islands, (129) United Arab Emirates, (130) Uganda, (131) Ukraine, (132) Uruguay, (133) Uzbekistan, (134) Venezuela, (135) Vietnam Socialist Republic, (136) Virgin Island US, (137) Yemen Republic, (138) Zambia, (139) Zimbabwe.



### III Country Group C

(1) Afghanistan, (2) Albania, (3) American Samoa, (4) Andorra, (5) Anguilla, (6) Antarctica, (7) Aruba, (8) Australia, (9) Bangladesh, (10) Bhutan, (11) Bosnia and Herzegovina, (12) Channel Islands, (13) Christmas Islands, (14) Cocos Islands, (15) Cook Islands, (16) Eritrea, (17) Faroe Islands, (18) Fiji Island, (19) French Polynesia, (20) French Southern and Antarctic Lands (Fr S Ant Tr), (21) Gibraltar, (22) Greenland, (23) Guam, (24) Heard Macdonald, (25) Hong Kong, (26) Iceland, (27) Kiribati Rep, (28) Korea DPR (North Korea), (29) Liechtenstein, (30) Macao, (31) Macedonia, (32) Maldives, (33) Marshall Islands, (34) Micronesia, (35) Monaco, (36) Mongolia, (37) Montenegro, (38) N. Mariana Islands, (39) Nauru Republic, (40) Nepal, (41) Neutral Zone, (42) New Caledonia, (43) New Zealand, (44) Niue Islands, (45) Norfolk Islands, (46) Norway, (47) Pacific Islands, (48) Pakistan, (49) Palau, (50) Panama, (51) Papua New Guyana, (52) Pitcairn Islands, (53) Puerto Rico, (54) SaharwiA.Dm Republic, (55) Samoa, (56) San Marino, (57) Serbia, (58) Solomon Island, (59) Sri Lanka DSR, (60) St Pierre, (61) Switzerland, (62) Timor Leste, (63) Tokelau Islands, (64) Tonga, (65) Tuvalu, (66) Serbia (67) Montenegro, (68) Vanuatu Republic, (69) Territory of the Wallis and Futuna Islands (70) Any other country not listed in the Country Groups A or B will be treated as part of Country Group C

### SUMMARY of the Country List till date

Country Groups	Country List Covered (Dated 1st April, 2015)	Amendments in Country List (Dated 14th July, 2015)	Amendments in Country List (Dated 28th December, 2015)
<b>Category A</b>	<b>Traditional Markets</b> (30) - European Union (28), USA, Canada	<b>Norway, Switzerland, Iceland &amp; Liechtenstein added</b>	
<b>Category B</b>	<b>Emerging &amp; Focus Markets</b> (139) - Africa (55), Latin America and Mexico (45), CIS countries (12), Turkey and West Asian countries (13), ASEAN countries (10), Japan, South Korea, China & Taiwan	<b>Hong Kong added</b>	<b>Panama Republic is retained under Group B</b>
<b>Category C</b>	<b>Other Markets</b> (70)	(a) Norway, Switzerland, Iceland & Liechtenstein moved to Group A (b) Hong Kong moved to Group B	(a) Panama is deleted from Country Group C

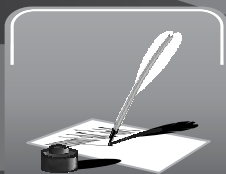
DGFT Public Notice No.2/2015-20 dated April 1, 2015 contains Appendix 3B - Table 2 relating to list of products with reward rates under MEIS. Please follow the link to view the complete list of products <http://dgft.gov.in/Exim/2000/PN/PN15/pn0215.pdf>.

### MEIS – Reward Rate

MEIS reward rates (2%/3%/5%) specified for export of notified goods to notified markets [categorized into 3 groups, viz. Country Group A, B and C] shall be payable as a percentage of realized FOB value in free foreign exchange.

Now Members may be willing to know how to know the rate of MEIS for the country they are exporting. Please find the Procedure for the same –

1. Go to Website – <http://dgft.gov.in>,
2. On the website Click on **Query ITC(HS) Based MEIS Rates**. Located at Center of the website in **Important Links**



Director General of Foreign Trade notified Appendix 3B - Table 2-ITC (HS) code wise list of products with reward rates under MEIS vide Public Notice No. 2 /2015-20 dated April 1, 2015 which were effective on exports made from April 1, 2015.

Further DGFT has made Additions/ Amendments in the above Table vide following Public Notices :

- (a) Public Notice No.27/2015-2020 dated July 14, 2015 makes Additions/ Amendments with immediate effect.
- (b) Corrigendum to Public Notice No.27 dated July 14, 2015
- (c) Public Notice No. 44/2015-2020 dated Oct 29, 2015

***For more information on the above Scheme; please visit the DGFT Website [www.dgft.gov.in](http://www.dgft.gov.in)***

#### **(b) Interest Equalization Scheme**

The Cabinet Committee on Economic Affairs (CCEA) at its meeting on Nov 18, 2015, approved the Interest Equalization Scheme on pre and post shipment rupee export credit for five years, starting April 1, 2015. This will further provide relief to the exporters from India who were facing extensive competition because of higher interest rates than competing countries like Vietnam, China etc.

<b>With Effect From</b>	April 1, 2015 to March 31, 2020
<b>Rate</b>	3%
<b>Beneficiary</b>	Manufacturers
<b>Sectors covered</b>	Handicrafts, Carpet, Handlooms, Small & Medium Enterprises, Readymade Garments, Made-ups Additional sectors: Fabrics, Coir & Coir Products, Jute & Jute Products

***For more information on the above Scheme; please visit the RBI Website [www.rbi.org.in](http://www.rbi.org.in)***

#### **(c) Duty Drawback Scheme**

The revised All Industry Rates (AIR) of Duty Drawback has been notified by the Central Board of Excise & Customs vide Notification No. 110/2015-Customs on 16th November 2015 and has come into force on 23rd November 2015.

***For the latest Drawback Rates of MMF Textiles visit the Council's Website [www.srtepc.org](http://www.srtepc.org)***

#### **(d) Market Access Initiative (MAI)**

Market Access Initiatives (MAI) Scheme is an Export Promotion Scheme and the financial assistance is available to the member exporters through Council.

***To know more about the MAI Scheme visit the Website of the Department of Commerce and Industry <http://commerce.nic.in>***

#### **(e) Market Development Assistance (MDA)**

Marketing Development Assistance (MDA) Scheme is to support/assist exporters/ EPCs to undertake export promotion activities for their product(s) and commodities through Focus export promotion programmes in specific regions abroad viz. FOCUS (LAC), Focus (Africa), Focus (CIS) and Focus (ASEAN + 2) programmes. The incentives under this Scheme are primarily given to member exporters develop the already accessed markets abroad.

***To know more about the MDA Scheme visit the Website of the Department of Commerce and Industry <http://commerce.nic.in>***







## TRADE FACILITATION A REQUISITE FOR 'MAKE IN INDIA'

Trade facilitation has emerged as a key and essential factor for international trade efficiency and the economic development of a country. Its impact on competitiveness is very crucial to attract direct foreign investments.

Over the last decade, Trade Facilitation has gained importance in the international political agenda importantly in the WTO Trade Facilitation Agreement.

In the recent past, several countries have made momentous progress in lowering trade tariffs and other tariff barriers. We have seen International trade growing and manufacturing activity has become more global than viewed earlier, with developing and emerging economies thereby connecting with international supply and value chains in terms of both their exports and imports.

The primary goal of trade facilitation is to help make trade across borders (imports and exports) faster, and cheaper and more predictable, whilst ensuring its safety and security. Trade Facilitation's main focus is simplifying and harmonizing formalities, procedures, and the related exchange of information and documents between the various partners in the supply chain.

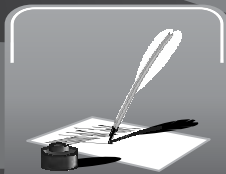
An emerging market like India needs to expand its international trade to sustain growth. India's exports to world Trade is low compared to peers such as China, South Africa and Indonesia. Further, increasing supply of a semi-skilled, young labour force demands manufacturing growth supported by exports that would generate employment opportunities.

Therefore, the implementation of sound trade facilitation policies for low trade and transaction costs is a prerequisite to attract investors to make in India and consider it their manufacturing hub. It is hoped that WTO Trade Facilitation Agreement is estimated to create job opportunities in developing countries and India.

### Reasons for lagging

India lags far behind when it comes to logistical facilitation of foreign trade ranking 54 out of 160 countries compared to China (28) and South Africa (34). The index indicates that trade in India is affected mainly due to transaction costs such as customs, infrastructure, quality of logistics and timeliness approach.

- In the recent years, the Revenue department, Commerce department and the Central Board of Excise and Customs (CBEC) has taken initiatives for enhancing Trade Facilitation. These include measures such as e-filing documents through ICEGATE, introduction of 24x7 customs clearance facility, high percentage increase by importers to access the ICEGATE portal to file bills of entry rather than the other service centres.
- The Risk Management System (RMS) at the Customs does not meet the desired goals which they tend to achieve. As you are aware, RMS provides for the clearance of low risk consignments without assessment or physical checking. The facility levels were enhanced up to 80 per cent, 70 per cent and 60 per cent for air cargo complexes, ports and inland container depots (ICDs) respectively. Trade Data reveals that the targeted proportion has not been achieved. In the four air commissionerates, only 59 per cent of bills were facilitated through RMS against the target of 80 per cent, as per information reported.
- It has also been pointed out that the option of inspection of goods at factory premises provided by CBEC exporters has been underutilised. At present only about few shipping bills undergo inspections at factory sites, leading to delays and related costs, even though a single factory stuffing permission is sufficient for all customs locations.



### Dawdling approach

- ❖ The Government implemented the 24x7 clearance at the Ports for certain imports and exports, but however the scheme did not take off because of issues such as Shortage of officers and staff, Volume of Goods being large, Clearance services at Customs are operational only upto 6.30 p.m., system is slow and hence Shipping Bill not generated on the same day, Open End Examination at the Ports takes 4 to 5 hours and Risk management system awaited till midnight as same day clearance is not possible.
- ❖ The two programmes introduced by CBEC - ACP (Accredited Clients Programme) and AEO the Authorised Economic Operator, to ease conditions for trade by granting special status to economic operators who met qualifying criteria that included amount of duty paid, volume of imports, clean compliance record and so on. But these programmed have not enthused a large number of trade as there was a high degree of unpredictability and uneven quality in performance across different customs formations.
- ❖ On Site Post Clearance Audit (OSPCA) scheme was introduced by CBEC as a trade facilitation measure. This facility was extended to ACP clients for expediting clearances while safeguarding the interest of revenue. It was observed that the OSPCA scheme, far from being a facilitation measure actually discouraged new importers from applying for ACP status and the existing ACP status holders from renewing their status due to the stringent norms and requirements provided for in the scheme. OSPCA scheme was one major reasons for the steep decrease in the number of ACP status holders.
- ❖ Trade facilitation is adversely impacted by manual registrations of licences and authorisations issued by Directorate General of Foreign Trade (DGFT) under various export promotion and reward schemes with the concerned customs house by importers.

These schemes include - Advance Authorisation, Export Promotion Capital Goods scheme, etc. Such schemes allow exporters to claim duty credits or duty drawbacks on imports of intermediate goods and equipment used for the manufacture of goods for exports. Although such authorisations are transmitted electronically by DGFT to customs, importers are made to register their licences manually by executing a bond with the customs. The time taken at Customs reveal that authorisation and licences took over three days for registration. In general, registration of licences taking time over three days has increased over these years across customs commissionerates.

### Trade Facilitation next step to Globalisation

Although many trade facilitating steps have been taken by the CBEC, Dept. of Revenue and Department of Commerce but yet to be implemented, and that many well-intentioned policies have been put at risk by what can be called as conflict between trade facilitation and compliance. Trade facilitation comprising of simplification and harmonisation of international trade procedures is key to enhancing India's export competitiveness to make the country more attractive to investment and also enable it to fully participate in global trade expansion.

The Government has realized that the export economies largely depend on efficient import dealings, hence there is a need to have a positive approach for a more efficient management of end-to-end trade transactions.

Lack of transparency about rules and regulations, lengthy clearance processes, and multiple documents requirements in different formats, increases the costs and time of doing trade. Today these obstacles are seen as posing greater barriers to trade than tariffs. They further thicken the border of countries. Hence, it is more important that to achieve trade facilitation we have to enhance administrative efficiency and effectiveness, reduce costs and time to markets, and increase predictability in global trade.

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## MINISTRY OF COMMERCE & INDUSTRY

DGFT					
Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Notification No.02/ 2015-2020	11.04.2016	Introduction of definition of e-commerce in Foreign Trade Policy (2015-2020)	DGFT vide this Notification has introduced the definition of e-commerce in Para 9.17A of Chapter 9 of the Foreign Trade Policy (2015-2020). For the purpose of Merchandise Exports from India Scheme (MEIS), e-commerce shall mean the export of goods hosted on a website accessible through the internet to a purchaser.	<a href="http://dgft.gov.in/Exim/2000/NOT/NOT16/Notification%20No.02%28E%29.pdf">http://dgft.gov.in/Exim/2000/NOT/NOT16/Notification%20No.02%28E%29.pdf</a>
(2)	Public Notice No. 67/2015-2020	30.03.2016	Authorization of Textiles Committee to issue Certificate of Origin under various Free Trade Agreements/ Preferential Trade Agreements	DGFT has identified "Textiles Committee" as one of the competent agencies to issue Certificate of Origin (COO) under certain Free Trade Agreements (FTAs)/Preferential Trade Agreement (PTAs) along with the other Authorised Agencies. The revised Appendix 2B is given in the Public Notice.	<a href="http://dgft.gov.in/Exim/2000/PN/PN15/pn6716.pdf">http://dgft.gov.in/Exim/2000/PN/PN15/pn6716.pdf</a>
(3)	Public Notice No. 01/2015-2020	06.04.2016	Amendment in General Note No. 15 for Textiles (Product Code:J)	Director General of Foreign Trade has made amendments/additions in the Handbook of Procedures. Vol.2, 2015-2020 to substitute the General Note No. 15 for Textiles (Product Code: J)	<a href="http://dgft.gov.in/Exim/2000/PN/PN16/pn0116.pdf">http://dgft.gov.in/Exim/2000/PN/PN16/pn0116.pdf</a>
(4)	Public Notice No. 02/2015-2020	08.04.2016	New PSIAs recognised in terms of FTP 2015-20	DGFT has made additions in Appendix 2G of Appendices and Aayat Niryat Forms of Foreign Trade Policy, 2015-20 with immediate effect. The Pre-Shipment Inspection Agencies (PSIA) recognized under the above Public Notice will be placed under the heading "New PSIAs recognised in terms of FTP 2015-20 in Appendix 2G.	<a href="http://dgft.gov.in/Exim/2000/PN/PN16/pn0216.pdf">http://dgft.gov.in/Exim/2000/PN/PN16/pn0216.pdf</a>
(5)	Trade Notice No.21/2015	23.03.2016	Reconstitution of Board of Trade (BoT)	The Board of Trade has been reconstituted as per the provisions given in the Para 300 of Foreign Trade Policy Statement 2015-2020. The objective is to have continuous discussion and consultation with trade and industry. The Reconstituted Board of Trade includes Members from the industry & academia (Non-official Members), Heads of trade & industry associations (Ex-officio Members) and Top Government Officials.	<a href="http://dgft.gov.in/Exim/2000/TN/TN15/Trade%20Notice%2021.pdf">http://dgft.gov.in/Exim/2000/TN/TN15/Trade%20Notice%2021.pdf</a>
(6)	Trade Notice No.22/2015	31.03.2016	Clarifications on Trade Facilitation Measures	The need to maintain absolute integrity and transparency in the functioning of all DGFT offices, attention is drawn to the fact that DGFT is moving towards an IT enabled paperless and personal contact free environment to achieve these objectives in a more comprehensive and complete manner. DGFT has now issued the said Trade Notice requesting the Regional Authorities to implement the arrangements on priority and abide by the spirit of the Trade Notices issued earlier rather than their literal wording, and ensure that official business in the offices is conducted in an upright, fair and transparent manner.	<a href="http://dgft.gov.in/Exim/2000/TN/TN15/tn2216.pdf">http://dgft.gov.in/Exim/2000/TN/TN15/tn2216.pdf</a>



Office of Additional DGFT, Mumbai					
Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Trade Notice No.1/2016	5.4.2016	Open House for Applicant on every Wednesday in all RA offices	Attention is invited to DGFT's Trade Notice No. 22/2015 dated 31 <sup>st</sup> March, 2016 wherein it has been decided that there will be an open house for applicants on every Wednesday in all RA offices. Accordingly, it is informed that an open house will be held for applicants on every Wednesday in this office between 3.00 PM and 4.00 PM in the Conference Room of the Office of Additional DGFT, Mumbai.	<a href="http://dgft.gov.in/dgftmumbai/html/trmum/FY17/TN0117.pdf">http://dgft.gov.in/dgftmumbai/html/trmum/FY17/TN0117.pdf</a>

## MINISTRY OF FINANCE

CBEC – CUSTOMS							
Sr. No.	Heading No.	Date	Subject	Description	Download the Link		
(1)	Notification No. 28/2016-Cus	31.3.2016	Amendment in CBEC Notification to provide deeper tariff concessions in respect of specified goods imported under the India-Japan Comprehensive Economic Partnership Agreement (IJEPA), w.e.f. 1st of April, 2016	<p>CBEC has issued <u>Notification No. 28/2016-Cus dated 31<sup>st</sup> March, 2016</u> amending the earlier Notification No.69/2011-Customs, dated the 29th July, 2011. As per the current Notification, the Government has provided deeper tariff concessions in respect of specified goods imported under the India-Japan Comprehensive Economic Partnership Agreement (IJEPA), w.e.f. 1st of April, 2016 vide.</p> <p>We are giving here-below the relevant HS Codes of MMF Textiles where the concession has been given :</p> <table><tr><th>Chapter or Heading or Sub-heading or Tariff item</th></tr><tr><td>5401 to 5402, 5403, 5404, 5405, 54060010, 54060020 to 54082120, 5501, 5502, 5503, 5504 to 5507, 550810, 550820 to 551694, Chapter 56 to 63</td></tr></table>	Chapter or Heading or Sub-heading or Tariff item	5401 to 5402, 5403, 5404, 5405, 54060010, 54060020 to 54082120, 5501, 5502, 5503, 5504 to 5507, 550810, 550820 to 551694, Chapter 56 to 63	<a href="http://www.cbec.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-tarr2016/cs28-2016.pdf">http://www.cbec.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-tarr2016/cs28-2016.pdf</a>
Chapter or Heading or Sub-heading or Tariff item							
5401 to 5402, 5403, 5404, 5405, 54060010, 54060020 to 54082120, 5501, 5502, 5503, 5504 to 5507, 550810, 550820 to 551694, Chapter 56 to 63							
(2)	Notification No. 39/2016-CUSTOMS (N.T.)	15.03.2016	Rules to amend the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 2016	<p>The Central Government hereby makes the following rules to amend the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 2016, namely:-</p> <p>1. Short title and commencement. -</p> <p>(1) These rules may be called the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) (Amendment) Rules, 2016.</p> <p>(2) They shall come into force on the date of their publication in the Official Gazette.</p>	<a href="http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt39-2016.pdf">http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt39-2016.pdf</a>		
(3)	<u>Circular No.10/2016-Customs</u>	15.03.2016	Implementing Integrated Declaration under the Indian Customs Single Window	The Central Board of Excise and Customs (CBEC) has extended the Indian Customs Single Window to other locations and other Participating Government Agencies.	<a href="http://cbec.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ10-2016cs.pdf">http://cbec.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ10-2016cs.pdf</a>		





				CBEC has since developed the 'Integrated Declaration', under which all information required for import clearance by the concerned government agencies have been incorporated into the electronic format of the Bill of Entry. The Customs Broker or Importer shall submit the "Integrated Declaration" electronically to a single entry point, i.e. the Customs Gateway (ICEGATE).	
(4)	Circular No. 12/2016-Customs	28.03.2016	Prevention of use of non-genuine transferable duty credit scrips or DFIA (duty free import authorizations)	Instances of unscrupulous persons being able to put to use non-genuine transferable duty credit scrips or duty free import authorizations (purported to relate to chapters 3/5 or 4, respectively, of the respective Foreign Trade Policy) have been noticed in the field formations. Accordingly, the Board has decided to sensitize field formations on the issue.	<a href="http://cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ12-2016cs">http://cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ12-2016cs</a>
<b>CBEC – CENTRAL EX CISE</b>					
Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Notification No. 22/2016-CENT(N.T.)	15.03.2016	To amend Notification No. 20/2016-Central Excise (N.T.) dated 01.03.2016 [Central Excise (Removal of Goods at Concessional Rate of Duty for Manufacture of Excisable and Other Goods) Rules, 2016]	The Central Government hereby makes the following rules to amend the Central Excise (Removal of Goods at Concessional Rate of Duty for Manufacture of Excisable and Other Goods) Rules, 2016, namely:–  1. Short title, extent and commencement. —  (1) These rules may be called the Central Excise (Removal of Goods at Concessional Rate of Duty for Manufacture of Excisable and Other Goods) (Amendment) Rules, 2016.  (2) They shall come into force on the date of their publication in the Official Gazette.	<a href="http://cbec.gov.in/resources/htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-nt2016/cent22-2016.pdf">http://cbec.gov.in/resources/htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-nt2016/cent22-2016.pdf</a>
(2)	Notification No. 23/2016-Central Excise (N.T.)	01.04.2016	Amendment in CENVAT Credit Rules, 2004	The Central Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely-  1. (1) These rules may be called the CENVAT Credit (Fourth Amendment) Rules, 2016.  (2) They shall come into force from the date of their publication in the official Gazette.	<a href="http://cbec.gov.in/htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-tarr2016/infraccess-01-2016.pdf">http://cbec.gov.in/htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-tarr2016/infraccess-01-2016.pdf</a>
<b>CBEC – SERVICE TAX</b>					
Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Notification No. 21/2016-Service Tax	30.03.2016	Point of Taxation (Second Amendment) Rules, 2016 in order to amend Point of Taxation Rules, 2011 so as to prescribe point of taxation as the date of issuance of invoice in case of change in liability to pay service tax by the service recipient	The Central Government hereby makes the following rules further to amend the Point of Taxation Rules, 2011, namely :—  1. These rules may be called the Point of Taxation (Second Amendment) Rules, 2016.  2. In the Point of Taxation Rules, 2011, in rule 7, after second proviso, the following proviso shall be inserted	<a href="http://cbec.gov.in/resources/htdocs-servicetax/st-notifications/st-notifications-2016/st21-2016.pdf">http://cbec.gov.in/resources/htdocs-servicetax/st-notifications/st-notifications-2016/st21-2016.pdf</a>



## MUMBAI CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No.16/2016	07.03.2016	Valuation of imported Second hand (Old & used) machinery	In addition to the Chartered Engineers/Inspection and Certification Agencies mentioned in the earlier Public Notice No. 69/2012 dated 24.11.2012, following Chartered Engineers/Inspection and Certification Agencies are empanelled for Valuation/ Examination of second hand (old and used) machine imported at New Customs House as per the CBEC Circular No. 25/2015-Cus dated 15.10.2015 with immediate effect till further orders	<a href="http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1165&amp;mode=view">http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1165&amp;mode=view</a>
(2)	Corrigendum to Public Notice No. 16/2016	15.03.2016	Empanelment of Charter Enginners	In the above said Public Notice No. 16/2016 dated 07.03.2016, Name of Chartered Engineer figured at Sl. No. 1 may be read as "Astral Associates" instead of "Astra Associates".  Other Contents of the Public Notice remain unchanged.	<a href="http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1166&amp;mode=view">http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1166&amp;mode=view</a>
(3)	Public Notice No. 20/2016	17.03.2016	Amendments effective from 11.2.2016 to the All Industry Rates of Duty Drawback - reg.	The Government considered representations, feedback and data related to the All Industry Rates (AIR) of Duty Drawback that took effect on 23.11.2015 and has notified certain changes vide Notification No. 22/2016-Customs (N.T.) dated 08.2.2016. These changes take effect from 11.02.2016.	<a href="http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1170&amp;mode=view">http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1170&amp;mode=view</a>
(4)	Public Notice No. 21 /2016	29.03.2016	Implementing Integrated Declaration under the Indian Customs Single Window- reg.	1. Attention of all the Importers, Customs Brokers and the Members of the Trade is invited to the Board's Circular No.10/2016 dated 15.03.2016, Circular No. 09/2015 dated 31.03.2015 and Circular No. 03/2016 dated 03.02.2016 regarding the Indian Customs Single Window.  2. To re-capitulate, the Central Board of Excise and Customs (CBEC) has taken-up the task of implementing 'Indian Customs Single Window Project' to facilitate trade. This project envisages that the importers and exporters would electronically lodge their Customs clearance documents at a single point only with the Customs.	<a href="http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1172&amp;mode=view">http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1172&amp;mode=view</a>
(5)	Public Notice No. 23/2016	31.03.2016	Implementation of Single Window and Integrated declaration of Bill of Entry for imports.	1. Attention of Importer/Customs Brokers is invited to recent Board Circular No. 010/2016 Customs dated 15.03.2016 regarding the implementation of Single Window and Integrated declaration of Bill of Entry for imports.  2. In this regard, it is to inform that substantial changes have been made in the BE format and several additional fields have been added to the Bill of Entry, few of which are mandatory in nature. Hence, if declarant doesn't compulsorily fill in these key fields, the BE job is liable to get rejected in filing.	<a href="http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1174&amp;mode=view">http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id=1174&amp;mode=view</a>



## JNCH CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 48/2016	07.03.2016	Simplification of Customs procedure for Port Clearance –reg.	<p>It has been observed that there is no uniformity regarding Customs procedure adopted at some ports/ Customs stations which increases transaction cost and time of clearance. This also results in major constraints in making India ports International Transshipment hubs.</p> <p>A committee was setup by Ministry of Shipping for simplification of Shipping Customs procedure. The Board has examined the recommendations of Committee in consultation with identified Chief Commissioners of Customs. The following decision has been taken to streamline the extent procedure for Port Clearance at various Ports are given in the Public Notice.</p>	<a href="http://www.jawaharcustoms.gov.in/pdf/PN-2016/pn-48-of-2016.pdf">http://www.jawaharcustoms.gov.in/pdf/PN-2016/pn-48-of-2016.pdf</a>
(2)	Facility Notice No. 49/2016	17.03.2016	Processing of documents for Port Clearance at JNCH–reg.	Attention of all the shipping lines, members of trade and CHAs are invited to the procedure of granting Port Clearance. The work relating to processing of port clearance document is currently being handled by ACAO/CWC Dronagiri. However, the shipping lines/shipping agents requested to consider shifting of work relating to port clearance from CWC Dronagiri to JNCH building.	<a href="http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2016/facility-notice-49-2016">http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2016/facility-notice-49-2016</a>
(3)	Public Notice No. 50/2016	17.03.2016	Manual debit of EPCG License – reg.	<p>It has been represented by the Trade that the manual debit of EPCG Licences/Authorisations in addition to the electronic debit of the same in EDI system leads to delay in clearance.</p> <p>In the light of the said requests by the Trade and as a measure of Trade Facilitation, it has been decided that the EPCG Authorisation will be debited only in the EDI System to avoid duplication of work. The practice of manual debit of EPCG Scheme shall be discontinued and it will not be necessary to get the EPCG License debited manually from the Group Appraiser.</p>	<a href="http://www.jawaharcustoms.gov.in/pdf/PN-2016/pn-50-of-2016.pdf">http://www.jawaharcustoms.gov.in/pdf/PN-2016/pn-50-of-2016.pdf</a>
(4)	Public Notice No. 51/2016	17.03.2016	Manual debit of Advance Licence	<ol style="list-style-type: none"> <li>1. Attention of all Importers/Exporter Custom House Agents, Trade and Stakeholders are invited to the Public Notice No. 21/2016 dated 11.02.2016 on the above subject.</li> <li>2. It has been represented by the trade that the manual debit of Advance Authorization in addition to the electronic debit of the licence in the EDI system leads to delay in clearance, especially in cases where the number of items in the Bill of Entry are large as debit of each item takes a lot of time.</li> </ol>	<a href="http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2016/public-notice-no-51-2016">http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2016/public-notice-no-51-2016</a>
(5)	Public Notice No.53/2016	23.03.2016	Implementing Integrated Declaration under the Indian Customs Single Window- reg.	<ol style="list-style-type: none"> <li>1. Attention of all the Importers, Customs Brokers and the Members of the Trade is invited to the Board's Circular No.10/2016 dated 15.03.2016, Circular No. 09/2015 dated 31.03.2015 and Circular No. 03/2016 dated 03.02.2016 regarding the Indian Customs Single Window.</li> </ol>	<a href="http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2016/public-notice-no-53-2016">http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2016/public-notice-no-53-2016</a>



(6)	Public Notice No.54/2016	22.03.2016	Verification of Genuineness of Importer Under Advance Authorization / EPCG Scheme – Reg.	1. Attention of trade members, importers, exporters, Custom Brokers is invited towards the procedure of registration of Advance Authorization / EPCG Authorization. One of the requirement is prior verification report from jurisdictional Central Excise Authorities, in case importer is registered with Central Excise Authorities, in terms of Board Circular 58/2004 dated 21.10.2004.	<a href="http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2016/public-notice-no-54-2016">http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2016/public-notice-no-54-2016</a>
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## SAHAR AIR CARGO CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice NO.42 /2015-16	22.03.2016	Implementation of the Integrated Declaration under the Indian Customs Single Window-- reg	Attention of all Importers/Exporters, Customs House Agents, Trade and Stakeholders are invited to the Public Notice No.3630/2015-16 dated 28.01.2016, 35/2015-16 dated 08.02.2016 and Board's Circular No110/2016 dated 15.03.2016 regarding implementing Indian Customs Single Window and integrated declaration of Bill of Entry for imports.	<a href="http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2016/PN-42-of-2015-16.pdf">http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2016/PN-42-of-2015-16.pdf</a>

## RESERVE BANK OF INDIA

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	RBI/2014-15/580 A.P.(DIR Series) Circular No. 97	April 30, 2015	Merchanting Trade to Nepal and Bhutan	Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to A.P. (DIR Series) Circular No. 115 dated March 28, 2014. In terms of the revised merchanting trade guidelines stipulated therein, for a trade to be classified as merchanting trade, goods acquired should not enter the Domestic Tariff Area and the state of the goods should not undergo any transformation.	<a href="https://rbi.org.in/Scripts/NotificationUser.aspx?Id=9699&amp;Mode=0">https://rbi.org.in/Scripts/NotificationUser.aspx?Id=9699&amp;Mode=0</a>
(2)	RBI/2014-15/573 FIDD. CO.Plan. BC.54/ 04.09.01/ 2014-15	April 23, 2015	Priority Sector Lending-Targets And Classification	An Internal Working Group (IWG) was set up in July 2014 to revisit the existing priority sector lending guidelines. The report of the IWG was placed in the public domain inviting comments. The recommendations of the IWG were examined in the light of the comments / suggestions received from Government of India, banks, and other stakeholders and revised guidelines are being issued in supersession of guidelines mentioned in the Master Circular RPCD.CO.Plan.BC10/04.09.01/2014-15 dated July 1, 2014 on Priority Sector Lending – Targets and Classification.  The salient features of the guidelines are given in the Notification.	<a href="https://rbi.org.in/Scripts/NotificationUser.aspx?Id=9688&amp;Mode=0">https://rbi.org.in/Scripts/NotificationUser.aspx?Id=9688&amp;Mode=0</a>







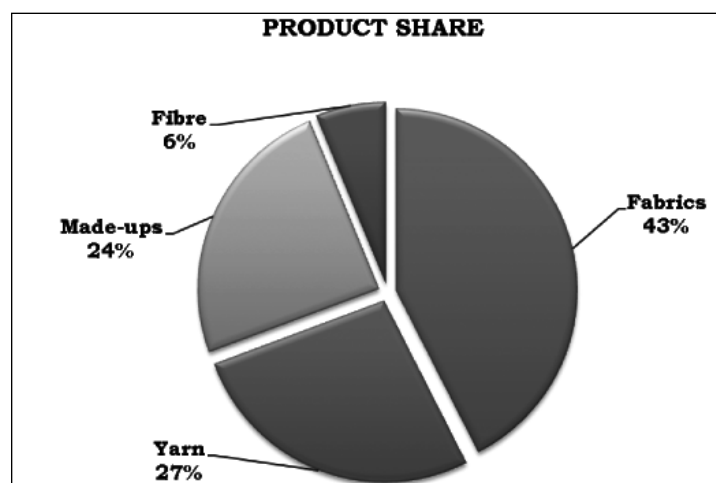
## EXPORTS OF INDIAN MAN-MADE FIBRE TEXTILES DURING APRIL - MARCH 2015-16

Exports of Man-made fibre (MMF) textile products from India has witnessed twelve consecutive month of decline during the current financial year 2015-16.

Exports during April-March 2015-16 were US\$ 4549.25 Million against US\$ 5094.25 Million during the same period of the previous year witnessing decline of nearly 11%. (SOURCE: Port Data)

Value in US\$ Mn

	April-March 2015-16	April-March 2014-15	Grw/decline (%)
Fabrics	1933.15	2052.38	-5.81
Yarn	1221.38	1410.96	-13.44
Made-ups	1110.04	1260.74	-11.95
Fibre	284.69	370.17	-23.09
<b>Total</b>	<b>4549.25</b>	<b>5094.25</b>	<b>-10.70</b>



### HIGHLIGHTS

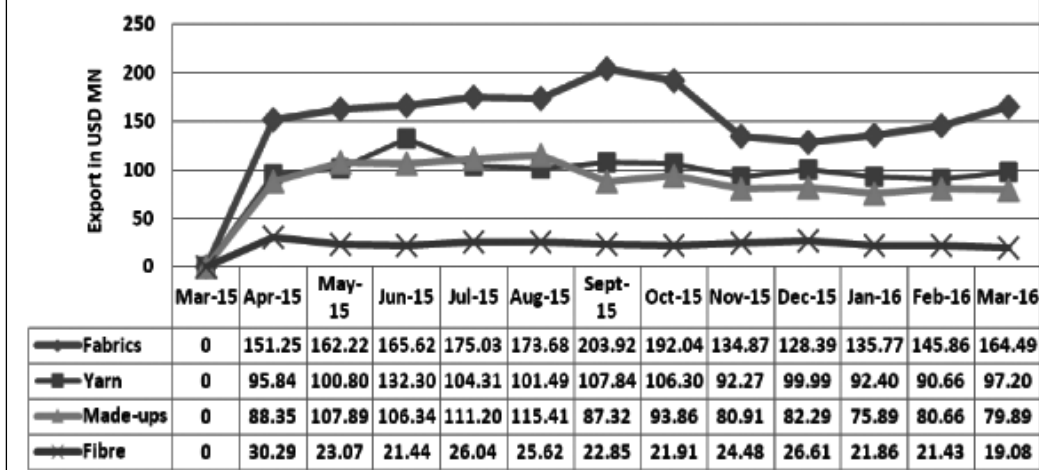
- All the four segments witnessed decline in export like fibre (-23.09%), yarn (-13.44%), made-ups (-11.95%) and fabrics (-5.81%).
- Exports of Fabrics dominated with 43% share

followed by Yarn 27%, Made-ups 24% and Fibre 6% in the Indian MMF textile exports.

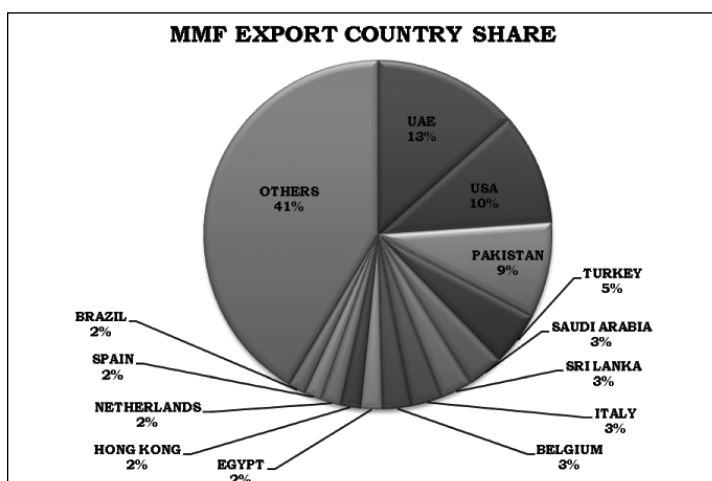
- Share of the value added segments like fabrics and Made-ups were 67% in total exports.
- In the fabrics segment Polyester Filament Fabrics (US\$ 548.43 Mn) remained the top exported product in India's MMF textile exports followed by Polyester Viscose Fabrics (US\$ 331.58 Mn) and other Polyester blends during the period.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth US\$ 594.05 Mn followed by Polyester Cotton Yarn (US\$ 135.34 Mn) and Polyester Viscose Yarn (US\$ 125.09 Mn).
- Yarn with positive growth in exports are Polyester spun, Viscose spun, Acrylic Cotton etc.
- In Made-ups, Bulk Containers was the leading item with exports worth US\$ 272.27 Mn followed by Muffler and Shawls/Scarves worth US\$ 163.93 Mn and US\$ 120.76 Mn respectively.
- Main Made-ups with positive growth are Curtains (24%), Muffler (23%), and Sacks and Bags (11%).
- Viscose Staple Fibre (US\$ 137.03 Mn) was the leading item in the MMF category followed by Polyester Staple Fibre (US\$ 107.64 Mn) and Acrylic Staple Fibre (US\$ 18.10 Mn).
- Exports of Viscose spun fabrics witnessed positive growth. Export of all the major types of fabrics have witnessed decline, except Viscose Blended Fabrics (82%) and Polyester blended fabrics (27.26%).



### PRODUCTWISE GROWTH TRENDS DURING APR-MAR 2015-16



### MMF EXPORT COUNTRY SHARE



### HIGHLIGHTS

- UAE was the leading market for Indian MMF textiles during April-March 2015-16 with 13% share in total exports followed by USA 10%, Pakistan 9% and Turkey 5%.
- Neighbouring country Pakistan has emerged as the 3<sup>rd</sup> largest market for India's MMF textile export with a share of 9% during April-March 2015-16.
- Other major markets during April-March 2015-16 were Saudi Arabia, Sri Lanka, Italy, and Belgium with share of 3% each in the Indian MMF Textiles exports.
- Leading markets with positive growth are Germany (24%), Saudi Arabia (5%) and UAE (0.19%).
- From the Euro Zone, Italy has emerged as the leading market for our exports during April-March 2015-16 with exports US\$ 131.36 Mn.
- UAE and USA were the leading market for Indian MMF Fabrics and USA was also leading market for Indian MMF Made-ups during the period.
- Nigeria with a share of 0.39% in the Indian MMF Made-ups export has grown by 113.79% during April-March 2015-16.
- Major markets for Indian MMF yarn were Turkey and USA. However, exports to USA showed a growth of 2% while exports to Turkey declined nearly 18% during April-March 2015-16.
- Brazil is as the 3<sup>rd</sup> largest market for Indian MMF Yarn exports but has witnessed a decline of 35% during April-March 2015-16 as compared to the same period of last year.
- Exports to USA have been increased in Yarn (2%) and Made-ups (8%) during the period.



## PRODUCT-WISE EXPORT PERFORMANCE APRIL–MARCH 2015-16

### FABRICS (Woven+non-woven+knitted)

Value in USD Mn

Products	April-Mar 2015-16	April-Mar 2014-15	Net Change	% Change
Polyester Filament	548.43	659.41	-110.98	-16.83
Synthetic Filament	485.23	490.14	-4.91	-1.00
Polyester Viscose	331.58	335.00	-3.42	-1.02
Polyester Blended*	208.21	163.61	44.60	27.26
Synthetic Non Specified	98.94	108.39	-9.45	-8.72
Synthetic Cotton	47.94	48.38	-0.44	-0.91
Polyester Wool	46.65	49.99	-3.34	-6.68
Polyester Cotton	35.57	38.08	-2.51	-6.59
Polyester Spun	24.62	38.99	-14.37	-36.86
Synthetic Blended	18.87	25.84	-6.97	-26.97
Nylon Filament	16.45	24.85	-8.40	-33.80
Viscose Blended **	13.37	7.34	6.03	82.15
Viscose Spun	12.32	14.13	-1.81	-12.81
Other Fabrics	44.97	48.23	-3.26	-6.76
<b>Total Fabrics</b>	<b>1933.15</b>	<b>2052.38</b>	<b>-119.23</b>	<b>-5.81</b>

\* Polyester blended fabrics covered under HS Codes 551512, 551521 and 551591

\*\* Viscose Blended fabrics covered under HS Codes 55162200, 5516300, 55169200, 55169110, 55162110, 55162120, 55169300, 55162400, 55169400, 55169120

### YARN

Value in USD Mn

Products	April-Mar 2015-16	April-Mar 2014-15	Net Change	% Change
Polyester Filament	594.05	670.65	-76.60	-11.42
Polyester Cotton	135.34	187.53	-52.19	-27.83
Polyester Viscose	125.09	146.00	-20.91	-14.32
Polyester Spun	97.06	95.61	1.45	1.52
Viscose Spun	74.36	70.69	3.67	5.19
Viscose Filament	52.40	55.50	-3.10	-5.59
Acrylic Spun	31.90	46.00	-14.10	-30.65
Synthetic Spun	28.54	38.37	-9.83	-25.62
Polyester Wool	21.58	23.66	-2.08	-8.79
Synthetic Non Specified	13.22	11.29	1.93	17.09
Acrylic Cotton	9.79	9.47	0.32	3.38

Products	April-Mar 2015-16	April-Mar 2014-15	Net Change	% Change
Artificial Spun	7.90	21.76	-13.86	-63.69
Nylon Filament	7.51	10.30	-2.79	-27.09
Other Yarn	22.63	24.13	-1.50	-6.22
<b>Total Yarn</b>	<b>1221.37</b>	<b>1410.96</b>	<b>-189.59</b>	<b>-13.44</b>

### MADE-UPS

Value in USD Mn

Products	April-Mar 2015-16	April-Mar 2014-15	Net Change	% Change
Bulk Containers *	272.27	362.65	-90.38	-24.92
Muffler	163.93	133.42	30.51	22.87
Shawls/Scarves	120.76	215.62	-94.86	-43.99
Motifs	67.76	71.25	-3.49	-4.90
Fishing Net	39.99	40.78	-0.79	-1.94
Blanket	34.76	44.02	-9.26	-21.04
Bed Linen	24.46	28.05	-3.59	-12.80
Bedsheet	19.48	25.57	-6.09	-23.82
Sacks and Bags	19.01	17.06	1.95	11.43
Rope	16.07	21.64	-5.57	-25.74
Dress Material	12.94	35.27	-22.33	-63.31
Braids	11.37	11.20	0.17	1.52
Dish-cloths/Dusters	9.88	10.71	-0.83	-7.75
Curtains	9.54	7.71	1.83	23.74
Other Made-ups **	287.80	235.80	52.00	22.05
<b>Total Made--ups</b>	<b>1110.02</b>	<b>1260.75</b>	<b>-150.73</b>	<b>-11.96</b>

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

### FIBRE

Value in USD Mn

Products	April-Mar 2015-16	April-Mar 2014-15	Net Change	% Change
Viscose Staple	137.03	136.83	0.20	0.15
Polyester Staple	107.64	170.76	-63.12	-36.96
Acrylic Staple	18.10	38.84	-20.74	-53.40
Other Fibre	21.92	23.73	-1.81	-7.63
<b>Total Fibre</b>	<b>284.69</b>	<b>370.16</b>	<b>-85.47</b>	<b>-23.09</b>



## LEADING MARKETS

Value in USD Mn

SI No.	Country	April-Mar 2015-16	April-Mar 2014-15	Net Change	%Grw/Decline
1	UAE	611.86	610.67	1.19	0.19
2	USA	475.82	479.42	-3.60	-0.75
3	PAKISTAN	400.10	467.84	-67.74	-14.48
4	TURKEY	230.98	280.74	-49.76	-17.72
5	SAUDI ARABIA	152.32	145.08	7.24	4.99
6	SRI LANKA	131.93	188.90	-56.97	-30.16
7	ITALY	131.36	154.19	-22.83	-14.81
8	BELGIUM	121.46	149.29	-27.83	-18.64
9	EGYPT	92.06	92.86	-0.80	-0.86
10	HONG KONG	84.95	86.86	-1.91	-2.20
11	NETHERLANDS	81.58	90.36	-8.78	-9.72
12	SPAIN	74.50	97.80	-23.30	-23.82
13	BRAZIL	74.61	113.29	-38.68	-34.14
14	KOREA, DEM	65.90	79.64	-13.74	-17.25
15	GERMANY	56.68	45.71	10.97	24.00
16	VIETNAM, DEM	51.64	56.96	-5.32	-9.34
17	FRANCE	50.40	55.99	-5.59	-9.98
18	JAPAN	48.60	59.70	-11.10	-18.59
19	BENIN	48.62	82.04	-33.42	-40.74
20	BANGLADESH	47.89	55.50	-7.61	-13.71

## MAJOR MARKETS FOR MMF FABRICS

Value in USD Mn

Country	April-Mar 2015-16	April-Mar 2014-15	Net Change	%Grw/Decline
UAE	430.8	414.4	16.40	3.96
USA	271.65	302.03	-30.38	-10.06
PAKISTAN	125.76	118.41	7.35	6.21
SRI LANKA	118.22	128.27	-10.05	-7.84
SAUDI ARABIA	71.20	72.88	-1.68	-2.31
HONG KONG	65.93	82.34	-16.41	-19.93
VIETNAM, DEMO	42.88	49.17	-6.29	-12.79
EGYPT	41.73	40.73	1.00	2.46
SPAIN	32.44	34.38	-1.94	-5.64
KOREA, DEMO	31.00	39.07	-8.07	-20.66
BANGLADESH	30.82	35.96	-5.14	-14.29
ITALY	29.98	33.64	-3.66	-10.88
SINGAPORE	23.75	28.19	-4.44	-15.75

Country	April-Mar 2015-16	April-Mar 2014-15	Net Change	%Grw/Decline
KUWAIT	23.20	26.01	-2.81	-10.80
VIETNAM, DEMO	22.66	22.87	-0.21	-0.92
COTE D IVOIRE	22.33	20.64	1.69	8.19

## MAJOR MARKETS FOR MMF YARN

Value in USD Mn

Country	April-Mar 2015-16	April-Mar 2014-15	Net Change	%Grw/Decline
TURKEY	208.15	255.61	-47.46	-18.57
USA	123.77	121.16	2.61	2.15
BRAZIL	65.48	101.40	-35.92	-35.42
BELGIUM	55.21	62.10	-6.89	-11.10
PAKISTAN	51.91	61.24	-9.33	-15.24
EGYPT	41.84	42.30	-0.46	-1.09
KOREA, REP OF	29.17	28.76	0.41	1.43
PERU	28.81	39.33	-10.52	-26.75
GADELOUPE	27.17	30.93	-3.76	-12.16
NETHERLANDS	27.10	29.36	-2.26	-7.70
KOREA, DEM	24.51	30.86	-6.35	-20.58
MOLDOVA,	23.89	29.59	-5.70	-19.26
COSTA RICA	23.52	39.77	-16.25	-40.86
UAE	21.19	32.93	-11.74	-35.65

## MAJOR MARKETS FOR MMF MADE-UPS

Value in USD Mn

Country	April-Mar 2015-16	April-Mar 2014-15	Net Change	%Grw/Decline
USA	206.29	190.52	15.77	8.28
SAUDI ARABIA	161.87	177.15	-15.28	-8.63
ITALY	67.31	76.55	-9.24	-12.07
UAE	44.29	72.56	-28.27	-38.96
SPAIN	37.42	56.61	-19.19	-33.90
BENIN	36.80	63.92	-27.12	-42.43
CROATIA	36.36	52.07	-15.71	-30.17
NETHERLANDS	35.75	37.56	-1.81	-4.82
GERMANY	31.49	21.19	10.30	48.61
FRANCE	31.31	29.91	1.40	4.68
BELGIUM	24.38	35.22	-10.84	-30.78
AUSTRALIA	20.71	22.83	-2.12	-9.29
NIGERIA	17.83	8.34	9.49	113.79
UK	16.66	18.53	-1.87	-10.09







## SRTEPC participates in 7th Colombo International Yarn and Fabric Show (CIFS)

(Continued from Page 1)

Sri Lankan customers. We consider India as an important friendly partner.....”.

Shri. Narain Aggrawal, Vice Chairman of the Council in his opening remark said, “..... Indian companies have not come here as competitors, but as collaborators/partners to help Sri Lankan Garment manufacturers to expand their trade further by supplying them the necessary raw materials to produce garments of international quality at competitive prices for their export across the world’.

### INDIA PAVILION

The Council in coordination with the Organizers of the Exhibition arranged to accommodate all the SRTEPC participants at a demarcated area by making an “India Pavilion” to get focused attention of visiting Buyers. Customers visited the “India Pavilion” appreciated the companies, which were showcased in the specially designed India Pavilion.

### SRTEPC BOOTH AT THE FAIR

At the Exhibition, SRTEPC had maintained a Booth for the Publicity & promotion of the member-participants in particular, and its trade in general. Accordingly, posters highlighting various products of the Council and the strength and capability of the Indian MMF Textile Industry were showcased. During the Fair, the forthcoming mega “Source India/RBSM Event” in surat from 13-14 august 2016 was also publicized by publicity materials including Standees and Banners to attract Sri Lankan Buyers of textiles to visit the forthcoming mega textile Show in Surat. The SRTEPC Booth was also visited by the Hon’ble Minister of Commerce of Sri Lanka - **Shri. Rishad Bathiudeen** along with the other local dignitaries including Shri. Kartik Pande, the First Secretary of the Embassy of India, immediately after inauguration of the Fair.

### ASSISTANCE TO INDIAN PARTICIPANTS

Thirteen member-companies – representing an array of products like suitings, shirtings, dress fabrics, fashion accessories/laces, made-ups and yarns of different varieties, participated in the Fair.

All participating companies at the Fair were provided stalls of 9 sq.mtrs each with necessary furnitures and product display equipments. A specialized “Dossier on Sri Lanka” – providing useful inputs including a database of Buyers, among other inputs, was also given to each of the participants to make their participation useful and rewarding. All participants were helped by the council to obtain their visa expeditiously to visit the Fair in Sri Lanka. Daily transportations from hotel to venue of the Fair and return, and working lunch-packs, tea, water, etc. were also arranged for them by the Council.

### TRADE VISITORS

The 3-day Exhibition attracted a fairly good number of Buyers/Agents, Converters, Retailers in Sri Lanka, which enabled participants to establish trade contacts, besides receiving trade enquiries. The estimated amount of business under negotiation was to the tune of US\$ 266,000. The businesses orders are under negotiations were for products like Sarees, Blouses, Dress Materials, PV Yarns (Raw/Dyed), and Cotton Yarn.

### VISIT OF THE VICE CHAIRMAN TO COLOMBO YARN & FABRIC SHOW

Shri. SriNarain Aggrawal, the Vice Chairman of the Council had led the Indian Delegation to the Fair. During his 2-day stay at Colombo, Shri. Aggrawal besides, inaugurating the Fair along with the Hon’ble Minister **Shri. Rishad Bathiudeen** on 10<sup>th</sup> March’16, interacted with Industry-heads including the Secretary General of JAAF and collected useful references of some leading Sri Lankan Buyers from them, which were disseminated among the SRTEPC participants during the Fair. Shri. Narain Aggrawal during his stay in Colombo also met H.E. Shri. Y. K. Sinha, the Ambassador of India and discussed various issues for the further expansion of India’s trade of MMF textiles with Sri Lanka. Ambassador of India has accordingly assured him with all possible help for the further increase of Indian Trade with Sri Lanka. As the Ambassador of India was engaged elsewhere due to his prior commitments on the opening day of the Exhibition,



Shri. Kartik Pande, First Secretary of the Embassy attended the Inaugural Function of the Fair, and interacted with the Indian participants by visiting their booths at the Colombo International Yarn & Fabric Show (CIFS).

### MARKET POTENTIAL

Sri Lanka's Textile and Clothing Industry plays a vital role in the country's economy. The Clothing Industry in Sri Lanka has seen rapid expansion, and investments have been made in sustainability, innovation and creativity in design. Sri Lanka is currently sourcing over US\$ 1.60 billion of MMF of synthetic & blended textiles from the global markets. India exported an amount of US\$ 201.82 million of synthetic & blended textiles to this market during 2014 with a market share of 12.30% only. Considering this, there is substantial scope for India to further enhance its trade of MMF textiles to Sri Lanka.

### OPPORTUNITIES FOR EXPORTS TO SRI LANKA

Sri Lankan Apparel Manufacturers and Suppliers are reputed worldwide for producing top quality **ethical fashion apparel** trusted by the iconic global fashion brands - including Victoria's Secret, Gap, Marks & Spencer and Nike. Sri Lanka clothes the world, redefines industry frontiers, and connects global super brands such as Liz Claiborne, Next, Jones New York, Nike, Tommy Hilfiger, Pink Triumph, Ann Taylor, Speedo, Abercrombie & Fitch, Land's End, Marks & Spencer and Intimissimi. Worn by quality conscious consumers all over the world, products belonging to these international brands are sourced and manufactured in Sri Lanka – South Asia's fashion and logistics hub and global apparel visionary.

Apparel categories span sportswear, lingerie, loungewear, bridalwear, workwear, swimwear and childrenwear. These products are manufactured and exported with the flexibility of catering to specific seasons of many countries around the world. It's no wonder that this industry has enjoyed epic growth levels over the past four decades, and is today Sri Lanka's primary foreign exchange earner. Sri Lankan Apparel has evolved from traditional exports and tailoring designs to providing sophisticated solutions, creativity and experience in BPO Services, Fashion, R & D, and Innovation Centres - bridging the country's gap between developing and developed. It's no surprise that Sri Lanka's top three apparel companies are already among the world's 50 most important suppliers, and the industry has sustained over USD 3 billion in

export revenue for five consecutive years. And the world responds. Several Indian retail brands count on sourcing from Sri Lankan factories attracting global brands to invest in Sri Lanka as an Indian Sub continent Hub.

A number of European and Asian fabric-suppliers store their fabric in Sri Lanka to support fast fashion - taking advantage of fast regional shipping times and clearing in less than 24 hours.

### MARKET OBSERVATIONS

1. Owing to the continued expansion of Sri Lanka's Apparel Industry, its demand for textiles is fast growing.
2. Currently, Sri Lanka has a heavy reliance on imported textiles. The country's industrial production of textiles amounted to only USD 0.85 billion, while it imported more than USD 2.2 billion of such items in 2014.
3. U.N. Comtrade data shows that Hong Kong - and the Chinese mainland are Sri Lanka's major sources of textiles - accounting for more than 40% of its import total. This indicates a strong demand for textiles from Hong Kong, including both knitted and woven fabrics.
4. With its strong emphasis on product quality and producing niche products, Sri Lanka relies on imports of quality fabrics and accessories and, accordingly, encourages overseas producers to setup domestically.
5. Fabric manufacturing is classified as a key import substitution segment by the Board of Investment (BOI) of Sri Lanka. The BOI provides special incentives including five-year tax holiday followed by concessive corporate tax rate, for fabric manufacturers looking at setting up in the country.
6. While the bulk of the materials needed for garment manufacturing in Sri Lanka is imported, local sourcing is also on the rise.
7. World Economic Forum's Global Competitiveness Report 2014-15 now ranks Sri Lanka 2<sup>nd</sup>, in terms of local supplier quality among Asia's developing countries.
8. There are many upstream suppliers and an even greater number of downstream exporters. To gain better access to the required information or necessary resources for establishing business networks in Sri Lanka, joining Chambers or Industry Associations, such as the Sri Lanka Apparel Exporters Association, is recommended.



9. A number of European and Asian fabric suppliers store their fabrics in Sri Lanka to support fast fashion - taking advantage of fast regional shipping times and clearing in less than 24 hours.
10. The USA and the United kingdom have historically been the highest buyers of Sri Lankan Apparel throughout the decades... and they continue to reap the rewards of their long time partnerships... Exports to the USA continue to soar over USD 1 billion, and the EU contracts are worth over USD 1.5 billion and have experienced powerful growth year on year...

### CONCLUSION

Owing to the continued expansion of Sri Lanka's Apparel Industry, its demand for textiles is fast growing.

Currently, Sri Lanka has a heavy reliance on imported textiles, despite its rise in local production. The country's industrial production of textiles amounted to only USD0.85 billion, while it imported more than USD2.2 billion of such items during the last year.

In view of this, participation of Indian companies in Colombo International Yarn and Fabric Show has opened up new opportunities for Indian exporters of MMF textiles. It is, therefore, hoped that the Council's recently concluded participation in the Colombo International Yarn & Fabric Fair will provide a significant boost to the growing exports of Indian Man Made Fibre textiles to Sri Lanka.



# Source India

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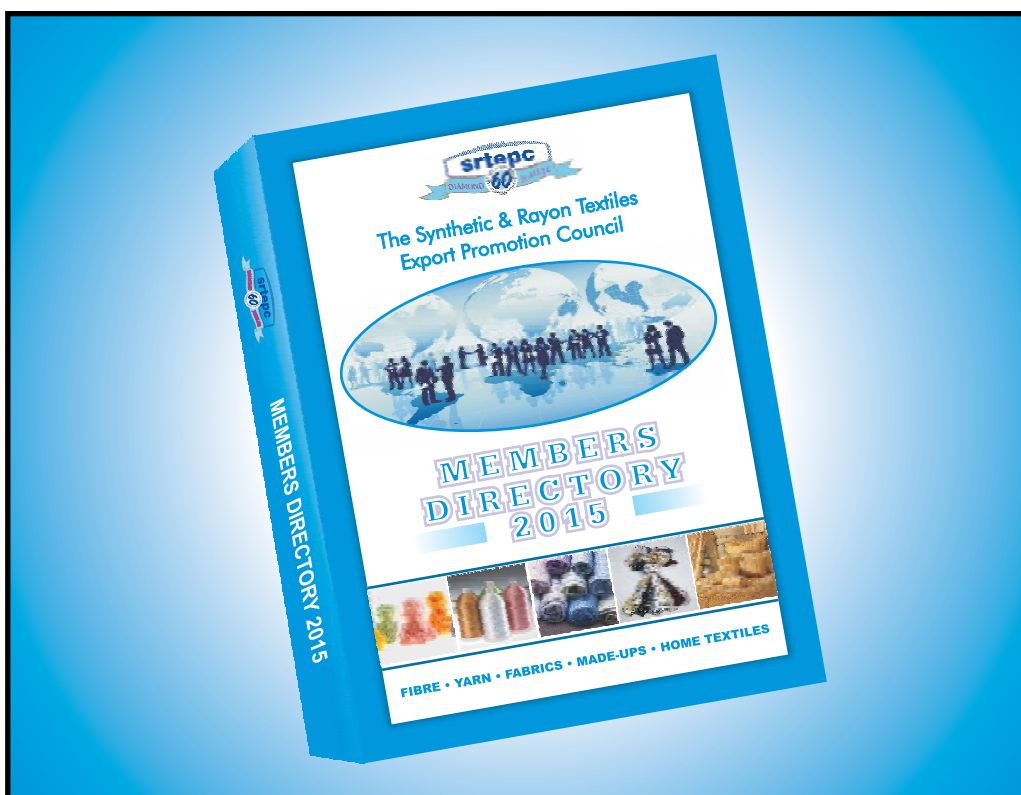
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### SRTEPC Members Directory

The Synthetic & Rayon Textiles Export Promotion Council in commemoration of its 60 years service to the industry, presents the **1st edition of Members Directory** with over **3400 entries** covering the complete details of **manufacturers/exporters of MMF textiles and blended textile items** including **Fibre, Yarn, Fabrics, Made-ups, Home textiles**, etc.

The publication will serve as a useful reference book and sourcing guide for the industry, importers, buying Houses and Agents of textile products. The cost of the Members Directory is as follows:

**Printed Copy** – Rs.1,000/ - US\$50/- (Including delivery Charges)

For further information and request for supply of Directory may be sent to

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**The Synthetic & Rayon Textiles  
Export Promotion Council**

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