

DUTY DRAWBACK RATES FOR 2014-15

The Government has announced the Revised All Industry Rates of Duty Drawback for 2014-15 vide Notification No.110/2014 - Customs (N.T.), dated 17th November, 2014.

The revised rates of Drawback are effective from 22nd November, 2014.

Please find here-below the Comparative Statement of the rates of Duty Drawback of the major items of MMF Textiles under the Drawback Schedule for 2014-15 & 2013-14.

In this regard, please refer to the following :

- Notification No.110/2014 - Customs (N.T.), dated 17-11-2014 (<http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2014/cs-nt2014/csnt110-2014.pdf>)
- Notification No.109/2014 - Customs (N.T.), dated 17-11-2014 (<http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2014/cs-nt2014/csnt109-2014.pdf>)
- Circular No.13/2014, dated 18-11-2014 (<http://www.cbec.gov.in/customs/cs-circulars/cs-circ14/circ13-2014cs.pdf>)

COMPARATIVE STATEMENT OF DUTY DRAWBACK FOR MMF TEXTILES FOR 2014-15 & 2013-14

Tariff Item	Description of goods	Unit	DBK Rates w.e.f. 22 nd November, 2014				DBK Rates Prior to 22 nd November, 2014			
			A		B		C		D	
			Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed		Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed	
1	2	3	4	5	6	7	8	9	10	11
FIBRES										
5503	Polyester Staple Fibre		1.9%	—	1.9%	—	1.7%	—	1.7%	—
5504	Viscose Staple Fibre		1.9%	—	1.9%	—	1.7%	—	1.7%	—
YARNS										
540201	Polyester texturised/twisted yarn (Grey)	Kg	10.4%	30	2.4%	6.9	10.4%	29.8	3%	8.6
540202	Polyester texturised/twisted yarn (Dyed)	Kg	10.9%	36	2.4%	8	10.9%	33.6	3%	9.25
540203	Polyester Filament Yarn / Fully Drawn Yarn (FDY)	Kg	2.4%	8	2.4%	8	3%	9.3	3%	9.3

(Contd. on Page 12)



COUNCIL'S FIRST-EVER EXCLUSIVE EXHIBITION - INTEXPO MYANMAR HELD IN YANGON

The Council organized its first – ever exclusive Indian Textile Exhibition - “INTEXPO Myanmar” in Yangon, Myanmar at Park Royal Hotel, Yangon City from 15 to 16th October, 2014. The

textile products. The products displayed by the participating companies during the two day event were mostly fabrics like 100% polyester, polyester-cotton, polyester- viscose, suitings, shirtings, salwar suits, embroidered fabrics, denim, ladies dress materials, which are highly in demand in Myanmar.



H. E. Mr. Gautam Mukhopadhyaya, Ambassador of India to Myanmar (centre) along with Mr. Ashok Murarka, Vice President Indo Myanmar Chamber of Commerce (extreme left) inaugurating the Indian Textile Exhibition – INTEXPO in Yangon, Myanmar. Also seen in picture third from left Mr. Myint Soe, Deputy Director General, Department of Trade Promotion, Ministry of Commerce, Republic of Union of Myanmar.

event was organised with the active support and guidance of the senior officials of the Embassy of India in Myanmar and also with sincere involvement of the senior office bearers of the Indo Myanmar Chamber of Commerce and Industries.

OBJECTIVES

This maiden export promotional programme in Myanmar was organized in view of the growing potential of the Myanmar market for Man-made fibre textile products and in line with the “Look East” Policy of the Government of India. Through the event, it was intended to showcase the wide range of Indian textile products of international quality which the Myanmar textile buyers may source at competitive rates. As expected this objective was met to a significant extent.

PARTICIPANTS AND PRODUCTS

Fifteen member-companies of the Council participated and displayed their latest range of man-made fibre

PRE-EVENT PRESS MEET

A pre-event Press Meet was organized on 14th October at the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI). Dr. S. Janakiraman, First Secretary (Eco & Com), Embassy of India, Mr. Myo Thant, Joint Secretary General, UMFCCI, Mr. Kripabar Baruah, Deputy Director, SRTEPC and other leading Myanmar textile industry people were present during the Press meet. A power point presentation was made by Mr. Kripabar Baruah giving details about the Indian participating companies with their product profiles and about the importance of the Programme. The dynamics and strength of Indian Man-made fibre textiles industry were also presented before the Myanmar media during the Press Meet. The Meet was covered by the local Print Media and TV channels.

INAUGURATION

The Exhibition was inaugurated by Ambassador of India H.E. Mr. Gautam Mukhopadhyaya, along with Vice-President Indo Myanmar Chamber of Commerce H.E. Mr. Ashok Murarka in the presence of Deputy Director General, Department of Trade Promotion, Ministry of Commerce, Republic of the Union of Myanmar Mr. Myint Soe.

The inaugural ceremony was also attended by Media people, leading local dignitaries, buyers and representatives of the Indian participating companies.

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MESSAGE FROM THE CHAIRMAN

Dear Member,

The much awaited Drawback Rates for 2014-15 have been announced and are very much on the expected lines. We have been bringing to the notice of the Government our low level of competitiveness of Man-made Fibre(MMF) Textiles when compared to China and hence the need for support measures and subsidies. Given the constraints within the WTO framework it appears to be incompatible. The government is trying to devise a mechanism to neutralise State levies and production based incentives, which should go a long way in enhancing our competitiveness of the MMF Textiles. For more information on the Revised Drawback Rates 2014-15 visit our Council's website www.synthetictextiles.org.

The Council has successfully organized the first ever Exhibition in Yangon City, Myanmar organized on 15th & 16th October 2014. We have received encouraging response from the textile fraternity in Myanmar. Council could accomplish this task with the active support and guidance of the Embassy of India in Myanmar. We have received continuous facilitation by the Indo Myanmar Chamber of Commerce and Industries. I am happy to know that Myanmar is gradually establishing as a leading manufacturing hub for textiles and clothing with increased investments in Textiles. This is due to the changing political scenario, which follow a pro-active and attractive policy measures encouraging investment and trade including 5 year tax holiday for foreign investments especially in the textile industry. Indian MMF textiles industry can leverage the emerging situation and pursue initiatives, more so due to the proximity to India, and also due to the growing importance of the potential market. Without losing time we must make use of this advantage to the benefit of strengthening the value chain of the MMF textiles. I am happy to know that in this maiden event participating member companies have negotiated business to the tune of US\$ 10 lakhs, which is encouraging and also revealing the potential. I would like to take this opportunity to thank H. E. Mr. Gautam Mukhapadhaya, Ambassador of India to Myanmar for inaugurating the Exhibition. I express my gratitude to Mr. Ashok Murarka, Vice-President, Indo Myanmar Chamber of Commerce and also to Mr. Myint Soe, Deputy Director General, Department of Trade Promotion, Ministry of Commerce, Republic of the Union of Myanmar for gracing the occasion. I am sure that the Exhibition has been successful in projecting India as a reliable source of quality MMF Textiles products and the benefits of it will accrue manifold in the near future.

The "Make in India" campaign launched by the Hon'ble Prime Minister Shri Narendra Modi has been gaining momentum attracting investments for reducing dependence on imports. The campaign promises to make India a manufacturing hub for various products including Textiles and Garments. It is hoped that by inviting domestic and international companies to invest in India, the Government's focus is not only to "look east," but also to "link west." I am sure that the campaign will reap rich dividends for the country in general and for the textile industry in particular with sincere cooperation and support from the MMF Textiles sector

As you are aware, Turkey has initiated Sunset Review on "Yarn of Man-made or Synthetic or Artificial Staple Fibres" this year. Our Council has been actively involved in defending the cases. The Ministry of Economy, Turkey, has now released a Final Disclosure Report (Turkey ADD) on Expiry Review in September 2014. The Council's lawyers along with the Turkish Lawyers attended a Public Hearing last month at Office of Ministry of Economy, Turkey. The Council is awaiting a final decision by the Ministry of Economy which would depend on the approval of the "Board of Evaluation of Unfair Competition in Imports". It may be noted that the Ministry of Economy in Turkey was of the view that termination of the current dumping margins would cause injury to the Turkish domestic industry and therefore the current dumping margins should be continued. Further, in the event of an unsatisfactory outcome, Council is planning to take up the matter with the Govt. of India for diplomatic solution and also drag them to the WTO for removal of the anti-dumping duty which they have been continuing for a longer period.

I am glad to inform you that the Council will be holding its Annual Export Award Function on 9th December 2014 and Hon'ble Minister of Textiles have kindly given his consent to give away the awards. As in the past the Council seeks your support and assistance to make the Function a grand success to remember, as this year being the 60th year of the Council.

With warm regards,

Yours sincerely,

RAKESH MEHRA
CHAIRMAN





TUNISIA

Exports of textile and clothing fall by 1.31%

Exports of the textile and clothing sector dropped by 1.31% and imports rose by 5.42% during the first eight months of 2014 compared to the same period in 2013, it has been reported.

With a turnover of 3,444.380 MTD at export during the same period in 2014, the textile and clothing sector is the second exporter nationally.

It is learnt that the sector ranks as the 5th largest supplier of the European Union (EU) and the second supplier of France in the field of clothing.

UAE

World's third largest exporter of textiles

A study conducted by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), Kolkata reports that UAE is the world's third largest exporter of textiles, after USA and UK. The study reveals that the UAE exported US\$ 1623.76 million worth of textiles, representing 7.75% share of the global export market.

With a total textile global exports of over US\$ 20939.80 million, the UAE commands a share of 7.75%, which reflects strongly on the development of the country's textile industry. The UAE comes third after USA (20.38%) and UK (8.11%) and outstrips Germany (7.65%), France (4.46%), Italy (3.74%), Spain (3.08%), Netherlands (2.57%), Bangladesh (2.83%) and China (2.10%).

It is learnt that the UAE has overcome the challenges of the global market such as volatility in price, rising input cost, energy crisis and lack of marketing exposure. The secret of textile industry success in the UAE is that the country sets up trends that others follow.

The UAE textile industry is the largest trading sector in the country after oil, and is also one of the biggest employment providers in the industrial sector.

GLOBAL

Yarn and fabric output up

Global yarn output rose in the second quarter of 2014 from its previous quarter, due to higher yarn production in Asia, South and North America, despite a drop in Europe, it has been reported.

Asia's production is traditional significantly higher in the second quarter, compared to the first quarter, as a result of fewer working days in China in the first quarter, due to the Chinese New Year holidays.

Worldwide yarn stocks remained practically unchanged in the second quarter, when compared with its previous quarter, with stocks falling in South America and Europe, offset by higher inventories in Asia.

Year-on-year, global yarn stocks jumped due to higher inventories in Europe and especially in Asia and also despite, plummeting inventories in South America. While yarn orders in the second quarter were up in Brazil but down in Europe, compared to the previous quarter.

It is learnt that global fabric production rose in the second

quarter with all regions except, Europe contributing to this growth and on an annualised basis, world fabric output also rose, with Asia, Europe and South America recording higher output.

World fabric stocks in the quarter under review were lower due to declines in inventories in South America and Europe, while inventories in Asia and North America increased slightly.

Also on an annualised basis, global fabric inventories fell due to reductions in South America and Europe and despite higher inventories in Asia and North America.

Fabric orders in Europe recorded a reduction in the second quarter, while they rose in Brazil and year-on-year fabric orders were higher in Europe but lower in Brazil.

It is also reported that estimates for yarn production for the third quarter of 2014 are positive in Asia, North and South America but negative in Europe, while estimates for fabric production are positive in Asia and South America, but negative in Europe.

The outlook for yarn production for the fourth quarter of 2014 is positive in Asia and stable in Europe and the outlook for fabric production is positive in Asia and stable in Europe.

In comparison to the first quarter, global yarn production increased in the second quarter by 15.9% due to higher output in Asia which was up 17.0%, South America 5.9% and North America 3.5% and irrespective of fall in production by 3.2% in Europe.



Also in comparison to last year's second quarter, global yarn output was up by 11.1%. This increase was a result of a surge in yarn production in Asia of 12.5%, while output declined in South America by 14.5%, North America 1.1% and Europe by a marginal 0.3%.

In comparison with the previous quarter, world fabric production rose in the second quarter by 11.3%. Asia and South America recorded higher output growths of 13.2% and 2.9%, respectively, while Europe's production declined by 0.5%.

Year-on-year, world fabric production in the second quarter of 2014, rose by 5.5%, with all regions contributing to this growth, especially Asia with 6.2% followed by Europe 3.7% and South America 0.9%.

Global yarn inventories were practically unchanged in the second quarter of 2014 with Asia's inventories going up by 1.2% and South America's and Europe's falling by 9.8% and 1.2%, respectively, in comparison with the previous quarter.

On an annualised basis, global yarn inventories jumped by 9.5%, due to a surge in Asia by 13.5% and a slight increase in Europe of 1.2%, and also despite a drop in South America of 20.3%.

Global fabric stocks in the reporting quarter fell by 2.4% from the previous quarter. In South America and Europe inventories fell by 9.8% and 6.1%, respectively, whereas, fabric stocks slightly increased in Asia by 0.7% and in North America by 0.2%.

In comparison to last year's quarter, world fabric stocks decreased by 3.1%, with reductions in South America by 13.7% and Europe 4.1%, which were not offset by increases in Asia of 1.1% and North America 0.7%.

In the quarter under review, yarn orders in Brazil were up by 7.5% and down in Europe by 4.1%, both from the previous quarter. On an annualised basis, yarn orders increased in Brazil by 8.5% and fell in Europe by 3.1%.

Fabric orders rose in Brazil in comparison to the previous quarter by 7.5% but were down in comparison to last year's second quarter by 2.9%. In Europe, fabric orders were lower in the second quarter, compared to the first quarter of 2014 by 3.7%, but higher on an annual basis by 2.2%.

WORLD

Exports of textiles and clothing up by 8% in 2013

World exports of textiles and clothing increased by 8 percent year-on-year in 2013, about four times higher than the average growth rate of 2 percent for world exports, it has been reported..

A positive growth was recorded by all the top ten textiles and apparel exporting countries, viz. China, EU28, India, Turkey, Bangladesh, Vietnam, the US, South Korea, Pakistan and Indonesia.

Among the top ten, the highest growth in textiles and garment exports was registered by India, with 23 percent, while South Korea recorded the lowest growth rate of 2 percent.

Compared to 2012, Vietnam overtook the United States as the sixth-largest exporter of textiles and clothing in 2013, while all other nations saw their positions unchanged.

China continued to be the leading exporter of textiles and clothing, with a 39 percent share in world exports of clothing and 35 percent share in textiles in 2013.

The European Union was the largest importer of clothing, accounting for 38 percent of world textiles and garment imports in 2013, followed by the United States with 19 percent of world imports.

The value of global textiles and clothing exports in 2013 stood at US\$ 766 billion, with China alone accounting for \$284 billion, followed by the EU28 and India with US\$190.2 billion and US\$35.7 billion, respectively.

About 59.8 percent of the world textile exports originated in Asia, with China alone accounting for 34.8 percent share. Europe recorded 28.1 percent share, whereas the North American region supplied 6 percent of textiles to other regions.

Similarly, in global clothing exports, Asia contributed a significant share with 59.4 percent, followed by Europe with 29.7 percent, and the South and Central American region with 3.2 percent.

BANGLADESH

New Textile Policy 2014 to be announced soon

The Bangladesh government has drafted the 'Textile Policy 2014', the move to prepare a new policy was initiated as the existing textile policy



of 1995 has failed to address the developments in local as well as global textile market, it has been reported.

The new textile policy drafted plans to raise the domestic production to 14,036 metres by the fiscal year 2019-20 that is double the existing local textile production.

The annual combined demand for fabric from the domestic market and the export-oriented garment sector is around 11,400 million metres, of which 62 per cent and about 7,000 million metres is met locally.

As per the draft policy, the fast-growing local textile sector is expected to flourish with the creation of more skilled workforce, high value-added products through research and use of modern technology. The private sector will play the lead role while the government will provide policy support.

It has also recommended reduction of interest rate on bank loan to attract new investment, setting up of industrial park for export-oriented garment sector, duty waiver for imported raw material and tax holiday to encourage industrial units in less developed areas across the country.

It is learnt that opinion of the concerned stakeholders was sought for drafting the textile policy which will be incorporated in the new Textile Policy.

SRI LANKA

Textiles and garments major contributor to the export growth in September 2014

Textiles and garments made the largest contribution to the Sri Lankan export growth in September 2014, it has been reported.

According to the data, textiles and apparel exports from Sri Lanka fetched US\$ 403.8 million in September 2014, compared to earnings of US\$386.9 million in the corresponding month of last year.

Textiles and garments contributed over 60 percent to Sri Lanka's total industrial export earnings of US\$667.9 million in September 2014, the data showed.

On the other hand, the import of textile and textile articles by Sri Lanka registered a growth of 14.4 percent and was valued at US\$199.1 million in September 2014, as against imports of USA\$174 million in the corresponding month last year.

In January-September 2014, Sri Lanka's textile and garments exports fetched US\$3.658 billion, as against exports of US\$3.125 billion made during the corresponding period of last year, showing a surge of 17 percent. Meanwhile, imports of textiles and textile articles increased by nearly 11 percent to US\$1.667 billion during the nine-month period, compared to imports worth US\$1.502 billion made during the same period last year.

In 2013, Sri Lanka's earnings from textile and garment exports grew by 13 percent year-on-year to US\$4.508 billion, while its value of imports declined by 9.7 percent year-on-year to US\$2.045 billion.

PAKISTAN

Textiles and clothing exports drop marginally during first quarter of 2014-15

The exports of textiles and garments from Pakistan declined marginally

by 3.99 percent year-on-year to US\$ 3.42 billion in the first quarter of fiscal year 2014-15 that began on July 1, as per the report.

In July-September 2014, Pakistan's knitwear exports grew by 11.16 percent year-on-year to US\$ 632.23 million, while exports of non-knit readymade garments were up by 2.78 percent to US\$484.37 million.

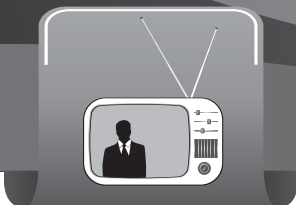
Raw cotton exports fetched US\$49.94 million in the three-month period, showing a drop of 23.9 percent compared to exports of US\$65.63 million made during the corresponding quarter of last year. Likewise, cotton yarn exports fell by 21.78 percent to US\$463.21 million, as against exports of US\$592.18 million made during the same period last year.

Exports of cotton fabric dropped 13.52 percent to US\$629.40 million during the period under review, while bedwear exports declined by 3.27 percent to US\$552.94 million, the data showed.

On the other hand, the import of synthetic fibre by Pakistan surged 64.48 percent year-on-year to US\$155.37 million, whereas imports of synthetic and artificial silk yarn witnessed a growth of 25.76 percent to register US\$170.55 million. This shows that textile enterprises have increased the use of synthetic fibre and yarn in recent months.

Meanwhile, the value of textile machinery imports made by Pakistan during the period rose by 2.80 percent year-on-year to US\$113.64 million.





Surge in exports of textiles and clothing to the largest single market US

The 'Make in India' launched by the Government seems to have already found significance in the country's textile and garment industry, with India's exports to its largest single market, the US, headed for a record surge this year, it has been reported.

While a renewed buoyancy in textile and apparel exports is helped by a sharp improvement in raw material supplies. The strong performance by India this year is also a reflection of a combination of global factors amidst a steady improvement in demand as the American economy picks up, a progressive decline in Chinese exports to major markets such as the US, currency appreciation in Indonesia, labour unrest in Asian competitor Cambodia and safety concerns after a major factory fire in Bangladesh last year.

According to the US Department of Commerce's Office of Textiles and Apparel (OTEXA) data, Indian textile and apparel exports have risen nearly 7 per cent during January-August 2014, compared with an average 2 per cent annual growth in the last five years. The growth in exports this year is being seen as significant as it happened despite the sharp strengthening of the Indian rupee since September 2013.

Both Bangladesh and Cambodia have seen a contraction in exports to the US,

India to sign global trade deal with the US and EU

A global trade deal between India, the United States and the European Union is likely to be signed, with India agreeing to sign the stalled international treaty on easier customs rules, it has been reported.

India will sign the treaty only after an agreement on the contentious food security issue is reached at the World Trade Organization, and in return the United States and European Union will accept India's demand for providing flexibility to developing countries in fixing minimum support price for farm products.

India defied the world in a row over food stockpiling

that had crippled attempts to reach a global trade agreement, raising doubts that backroom talks could reach a compromise before a Group of 20 summit this month.

Announcement of new FTP to be delayed

THE Ministries of Commerce and Finance have yet to take a final call on grant of tax incentives to export promotion schemes, which could delay announcement of the new Foreign Trade Policy (FTP), it has been reported.

The FTP is usually announced in April, providing guidelines for enhancing exports while pushing economic growth and generating employment.

It is learnt that a major chunk of the groundwork for the five-year trade policy 2014-19 has been completed.

Under the policy, the government gives fiscal incentives to exporters under different promotion schemes such as Market Access Initiative, Marketing Development Assistance, Vishesh Krishi and Gram Udyog Yojana, Focus Market Scheme, Focus Product Scheme and Market Linked Focus Products Scrip.

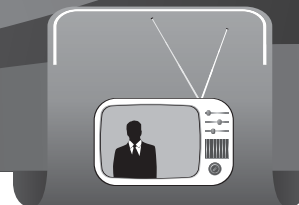
While the Finance Ministry is yet to allocate funds for these schemes, even after allocation the Commerce Ministry would take about two weeks to finalise the contours of each of the schemes.

Exporters have been concerned over the delay in announcement of the FTP as seven months of the current fiscal have already gone by.

Export Promotion Schemes to be made effective in the forthcoming FTP

To give a push to India's services exports, the Government is working to make the export promotion schemes more effective in the forthcoming foreign trade policy, it has been reported.

The government is likely to expand scope of Served from India scheme by allowing exporters to trade their earned tax incentives in a bid to spur services exports. These incentives are in the form of duty credit scrips, which can be used to pay customs duty



on input imports. As of now, these scrips are non-tradeable.

India to be the fastest growing economies among Asian countries

According to a forecast of global economies by Morgan Stanley India would have the fastest economic expansion among Asian countries and its gross domestic product is expected to grow by 6.3 per cent in 2015, it has been reported.

The Indian rupee's exchange rate to US dollar is expected to be at Rs. 62.20 by end of next year compared with Rs.62 in the current quarter (Q4 this year), It is seen at Rs. 62.50 in the first two quarters of next year and Rs. 62.30 in the third quarter of next year.

India's gross domestic product is expected to grow by 6.3 per cent in 2015, up from 5.3 this year, it said.

Strong capital inflows and the current account deficit under - 2 per cent would add upward pressure on the rupee.

It is believed that reforms are providing confidence to India's economic growth. The Government's policy action to improve business environment and lower oil prices are among the factors supporting the GDP growth.

It is given to understand that structural reforms related to land, labour and tax would support economic growth in the coming years. The risk would be any disruption to execution and delivery of reforms as well as a slowdown in exports.

Synthetic fibre producers ask Centre to reduce excise duty

Producers of synthetic fibre have asked the Centre to "remove bias and anomalies" against the man-made fibre industry and bring down excise duty on par with cotton fibre and yarn for growth of the Indian textile sector.

India is the world's second largest producer of MMFs with presence of large plants having state-of-the art

technology. MMF textiles constitute almost two-third of the domestic textile market. However, India's share in global exports of value-added textiles of MMFs is just about 3 per cent.

This has resulted in India's textile exports not growing beyond USD 40 billion out of which only 27 per cent come from MMFs. In contrast, China has given a big push to synthetic textiles and this has helped it become the world's largest textile exporter. Almost 80 per cent of China's textile exports consist of synthetics.

It is learnt that a major anomaly in excise duty structure is affecting growth of the Indian textile industry and preventing it from achieving a larger share of the global market.

It is this bias against MMF and yarn that has left India far behind China in terms of investment, scale of manufacturing and exports.

The excise duty imposed on man-made fibre and yarn in India is 12 per cent while cotton yarn and fibre are exempted from excise duty burden, leading to excessive bias against man-made fibres and yarn.

India asks for more market access in Russia

India is looking to enhance its market access in Russia for merchandise exports in sectors among others textiles even as Moscow has been demanding strengthening of bilateral trade.

The Hon'ble Union Minister of State for Commerce and Industry (IC) Smt. Nirmala Sitharaman, recently talked for enhanced market access for Indian goods in Russia. The Minister also called upon Russian companies to boost their investments in India.

Bilateral trade between the two BRICS member countries declined by 7.84 per cent in FY14 to \$6 billion. During the period, India's exports to Russia stood at \$2.1 billion, while shipments from Russia to India were recorded at \$3.9 billion.





SRTEPC/FE06/SPAIN/14-15

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Items of Interest: 100% Acrylic yarn (Open End), Nylon 6.6. Yarn.

SRTEPC/FE07/Sri Lanka/14-15

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Items Of Interest: (1) Polyester/Viscose 65/35 2/30s Raw White Yarn For Weaving Airjet Loom Dyeable Quality.
(2) 100% Cotton 40s Weaving Yarn Combed Compact - Air Jet Loom Quality 1x20fcl, (3) 100% Cotton 20s Weaving Yarn Carded - Air Jet Loom Quality 1x20fcl

SRTEPC/FE08/BANGLADESH/14-15

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Items of Interest:

1. POLYESTER YARN :
 - 100% Polyester DTY 300D/96F SD RW HIM AA grade (for denim weaving)
 - 100% Polyester DTY 300D/96F/2 SD RW HIM AA grade (for denim weaving)
2. LYCRA BRANDED SPANDEX YARN :
 - 200DL40D LYCRA BLACK FOR DENIM
 - 200DL40D LYCRA WHITE FOR DENIN
 - 300DL40D LYCRA BLACK FOR DENIM
 - 300DL40D LYCRA WHITE FOR DENIM



3. LYCRA BRANDED CORE SPUN YARN :

- 10L40d LYCRA YARN FOR DENIM
- 10L70D LYCRA YARN FOR DENIM
- 16L40D LYCRA YARN FOR DENIM
- 16L70D LYCRA YARN FOR DENIM
- T-400 LYCRA YARN FOR DENIM

SRTEPC/FE09/VIETNAM/14-15

Mr. Hung Vu Le, Director,
M/s. Le Vu Fashion Ltd.Co.,
372A No Trang Long,
Ward 13, Binh Thanh dist., HCMC,
VIETNAM

Phone : 00-84 936 156 006

Email : levufashion@gmail.com

Product Interest: The company is interested in sourcing a Special Fabrics for making Army Clothing

The details of the fabric are as follows:

Fiber components: ARAMID 28%, NYLON 33%, COTTON 29%

Specifications: Horizontal yarn Ne 16/1, Vertical yarn Ne 30/2,

Fabric weight: 230g/m² , (it need to be camouflage printed)

If interested, you may directly contact the concerned buyer/agent along with the details of your products, price quotes, terms of trade, etc. at the earliest under intimation to the Council for necessary follow-up, if required.

As is the practice, members are advised to verify the financial standing of the overseas firms while finalizing business deals.



INTERNATIONAL YARN FAIR, ISTANBUL, TURKEY 5TH – 8TH FEBRUARY 2015

The Council is organizing participation of its member-companies in the 12th edition of International Istanbul Yarn Fair being held at Tuyap Exhibition Centre at Istanbul in Turkey from 5th to 8th February 2015. The Fair is being organized by Tuyap Fairs and Exhibitions Organization Inc.

The participation fee for standard furnished booth of 9 sq. mtrs. is ₹ 2.48 lakhs. The Exhibition has been approved for MDA grant by the Govt. therefore eligible member-participants will get financial assistance of ₹ 1.50 lakhs towards their participation fees from the Market Development Assistance (MDA) Scheme subject to the fulfillment of certain terms and conditions.

For more details, you may contact Shri Srijib Roy, Joint Director, SRTEPC, Tel : 22-22048797, 22048690, Fax : 22-22048358, E-mail tp@srtepc.org/srtepc@srtepc.org.

DUTY DRAWBACK RATES FOR 2014-15

(Continued from Page 1)

Tariff Item	Description of goods	Unit	DBK Rates w.e.f. 22 nd November, 2014				DBK Rates Prior to 22 nd November, 2014			
			A		B		C		D	
			Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed		Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed	
1	2	3	4	5	6	7	8	9	10	11
540204	Polyester Texturised Yarn / Polyester Partially Oriented Yarn	Kg	2.4%	8	2.4%	8	3%	9.3	3%	9.3
550901	P/V Yarn (Grey) & Polyester Spun Yarn (Grey)	Kg	10.3%	36	2.4%	8.4	10.3%	36	3%	10.5
550902	P/V Yarn (Dyed) Polyester Spun Yarn (Dyed)	Kg	10.8%	43	2.4%	9.6	10.8%	40.5	3%	11.2
551001	Viscose Spun Yarn (Grey)	Kg	10.5%	43	2.4%	9.8	10.5%	42.2	3%	12.1
551002	Viscose Spun Yarn (Dyed)	Kg	11%	52	2.4%	11.3	11%	50.4	3%	13.7
FABRICS										
540702	Fabrics made out of 100% Polyester Filament Yarn (Dyed)	Kg	7.7%	58	2.4%	18.1	7.7%	57.8	3.1%	23.3
551202	Woven Fabrics of Synthetic Staple Fibre (Dyed)	Kg	8.9%	67	2.4	18.1	8.9%	68.2	3.1%	23.8
551502	Fabrics made out of Polyester/ Viscose (Dyed)	Kg	8.9%	67	2.4%	18.1	8.9%	68.2	3.1%	23.8
560302	Non-Woven Fabrics of Man-Staple Fibre	Kg	8.8%	40	1.9%	8.6	8.6%	30	1.9%	6.6
MADE-UPS										
62140103	Shawls, scarves, mufflers, stoles, mantillas and veils made of Man Made Fibre	piece	9.8%	38	2.2%	8.5	10.2%	29.1	2.6%	7.4
621703	Other made up clothing accessories; parts of garments or of clothing accessories of Man Made Fibre	Kg	9.8 %	178	2.2%	40	10.2 %	78.9	2.6%	20.1



Tariff Item	Description of goods	Unit	DBK Rates w.e.f. 22 nd November, 2014				DBK Rates Prior to 22 nd November, 2014			
			A		B		C		D	
			Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed		Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed	
1	2	3	4	5	6	7	8	9	10	11
630403	Other furnishing articles of Man Made Fibre	Kg	9.1%	107	1.6%	18.8	9.2%	94	1.1%	11.2
630703 now DBK Sr.No. chan- ged to 63070203	Made-ups made out of Man-Staple Fibre	Kg	9.1%	107	1.6%	18.8	9.2%	94	1.1%	11.2

COUNCIL'S FIRST-EVER EXCLUSIVE EXHIBITION - INTExPO MYANMAR HELD IN YANGON

(Continued from Page 2)

INTERACTION OF INDIAN AMBASSADOR

After the inaugural ceremony the Ambassador of India, H.E. Mr. Gautam Mukhopadhyaya, Ambassador of India to the Republic of the Union of Myanmar visited Indian stalls and interacted with the representatives of the participating companies. The Ambassador appreciated the efforts of the Council in organizing the first-ever INTExPO Myanmar to explore the market. He informed that the time to organize the event in Myanmar is appropriate basically in view of the country coming up as the prime hub for garmenting in South East Asian region. He also informed that Myanmar can export its garments in European Union at zero duty under its Generalised System Preferences (GSP) Scheme and hence the market has substantial potential for exports of Indian man-made textiles particularly fabrics. The Ambassador has assured all necessary help for such events in the future.

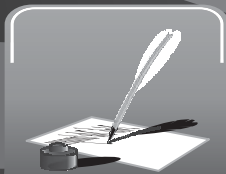
BUSINESS VISITORS

The event received an encouraging response from the Myanmar textile buyers, importers, agents,

wholesalers and fashion designers. On the 1st day around 150 trade visitors visited the stalls, saw the displayed samples and discussed business possibilities with senior representatives of the Indian participating companies. On the 2nd day, about 200 business visitors visited the Exhibition and enabled the participants to establish contacts with them and receive trade enquiries. Since, most of the participating companies were new to the Myanmar market; the event also gave opportunity to the participants to understand the market, their requirements, business practices, etc. Participating companies could also meet and build cordial business relationship with the Indian origin Russian businessmen, importers, and agents who are presently importing from countries like China, Indonesia, Singapore, etc. It is understood that most of the participating companies have been successful in materializing spot orders and received trade enquiries for their products. The total estimated amount of business under negotiation is reported to be around US\$ 10 lakhs.

FOLLOW UP ACTION

The Council has been associated with the Myanmar Garment Manufacturers Association (MGMA) which



is the only textile body in Myanmar. The officials of MGMA also visited the Exhibition. MGMA proposes that there should be exchange of textile delegations between India and Myanmar. The Council responded that they may invite through MGMA leading Myanmar textile companies to India for having Buyer Sellers Meet in future. MGMA has agreed for the same in principle. During the discussions with our Ambassador, Embassy of India, The Ambassador informed that Myanmar Government is trying to revive its textile industry and hence there is an excellent opportunity for investment in the Myanmar textile industry. He informed that Indian textile companies may explore the possibilities for investing in the textile sector of Myanmar and extended all the necessary advice, help and coordination in this matter.

TEXTILE AND APPAREL INDUSTRY IN MYANMAR

With the change in the political scenario, Myanmar is trying to establish itself as a leading manufacturing hub. The ongoing quest for low cost production has drawn manufacturers' attention to the clothing industry in Myanmar. The country has a long history of making yarn, fabric and garment. Currently, there are over 200 garment factories in Myanmar, employing about 20,000 workers. Most of these factories are privately owned.

MYANMAR APPROVES NEW FOREIGN INVESTMENTS IN GARMENT SECTOR

Due to cost advantages Myanmar has attracted significant foreign investments in the textiles industry. Currently there are 19 foreign companies in the Myanmar's garment industry which include Costic International Co.,Ltd, Honeys Garment Industry Ltd, Nadia Pacific Apparel Co Ltd, Manufacturer GFT Enterprise Co Ltd, JS Filter Co Ltd, Eurogate Sportsware Ltd, THY Garment Co Ltd, Shinsung Tongsang Inter Co Ltd, Korea Link Industrial Co Ltd & Mac Do Co Ltd. etc. to mention a few.

Recently, Myanmar Investment Commission (MIC) has given its approval to several foreign businesses to invest in the country's garment manufacturing sector.

Two companies, one from the UK and another from Hong Kong, have been given permission to bring in hundred-percent foreign investment for setting up their own business of cutting, making and packing (CMP) apparel in the country.

As per available information, some of Thailand's top garment companies are likely to start operations in Myanmar soon. The Myanmar Investment Commission has allowed six foreign companies to run garment factories and to take advantage of lower wages by the second half of this year. The companies would start operations by investing about US\$ 10 million in each plant for a total of US\$ 60 million.

MARKET POTENTIAL

Total import of man-made fibre textiles by Myanmar in 2013 was around US\$ 690 Mn. of which US\$ 539.84 Mn. was fabrics, US\$ 83.91 Mn. was yarn, US\$ 57.20 was Made-ups, and US\$ 8.96 Mn. was fibre. However export of Indian MMF textiles to Myanmar during 2013 was only US\$ 0.63 Mn. accounting for 0.09% in total import of these textiles by Myanmar. Product share in the export basket of Indian MMF textiles to Myanmar was fabrics 11% (US\$ 0.07 Mn), made-ups 14.29% (US\$ 0.09 Mn), and yarn 75% (US\$ 0.47 Mn). Main countries Myanmar imported MMF textiles from were China, Republic of Korea, Japan, Taipei, Indonesia, Thailand, etc.

It is a potential market for Indian MMF textiles as per the statistics given below:

Value in US\$ Mn.

MMF Textile Products	Import from World	Import from India	% Share of India
Fabrics	539.84	0.07	0.01
Made-ups	57.20	0.09	0.16
Yarn	83.91	0.47	0.56
Fibre	8.96	0.00	0.00
Total	689.91	0.63	0.09

Source: Compiled from UN Comtrade data.

Main MMF textiles items imported by Myanmar from World were as follows:



FABRICS

HS CODE	PRODUCT DESCRIPTION	IMPORT IN 2013 (In US\$ Mn.)
551219	Woven fabrics, containing $\geq 85\%$ of polyester staple fibres, o/t unbl or bl	119.9
540761	Woven fabric $> 85\%$ non-textured polyester filaments	48.41
540752	Woven fabrics, $\geq 85\%$ of textured polyester filaments, dyed, nes	32.21
551614	Woven fabrics, containing $\geq 85\%$ of artificial staple fibres, printed	24.78
540742	Woven fabrics, $\geq 85\%$ of nylon/other polyamides filaments, dyed, nes	24.64
551331	Plain weave polyester staple fabric, $< 85\%$ mixed w/cot, $\leq 170\text{g}/\text{m}^2$, yarn dyed	22.93
600632	Dyed fabrics, knitted or crocheted, of synthetic fibres, of a width of	21.57
551211	Woven fabrics, containing $\geq 85\%$ of polyester staple fibres, unbl or bl	19.45
551321	Plain weave polyester staple fabric, $< 85\%$, mixed w/cotton, $\leq 170\text{g}/\text{m}^2$, dyed	15.11
551341	Plain weave polyester staple fabric, $< 85\%$, mixed w/cot, $\leq 170\text{g}/\text{m}^2$, printed	12.75
551513	Woven fabric of polyester staple fibres mixed w/wool/fine animal hair, nes	11.99
551311	Plain weave polyester staple fabric, $< 85\%$, mixed w/cotton, $\leq 170\text{g}/\text{m}^2$, unbl/bl	9.52
540782	Woven fabrics of synthetic filaments, $< 85\%$ mixed with cotton, dyed, nes	9.28
540710	Woven fabric of high tenacity filaments of nylon/other polyamides/polyesters	7.02
540769	Woven fabric $> 85\%$ polyester filaments, nes	6.34
551612	Woven fabrics, containing $\geq 85\%$ of artificial staple fibres, dyed	5.23

Source: Compiled from UN Comtrade data.

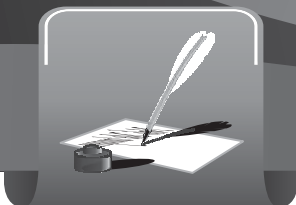
YARN

HS CODE	PRODUCT DESCRIPTION	IMPORT IN 2013 (In US\$ Mn.)
550932	Yarn, $\geq 85\%$ acrylic/modacrylic staple fibres, multiple, not put up, nes	10.27
550810	Sewing thread of synthetic staple fibres	6.97
540110	Sewing thread of synthetic filaments	3.79
540269	Yarn of synthetic filaments, multiple, nes, not put up	2.27
540261	Yarn of nylon or other polyamides filaments, multiple, nes, not put up	1.74
540120	Sewing thread of artificial filaments	1.37
540233	Textured yarn nes, of polyester filaments, not put up for retail sale	1.21
540331	Yarn of viscose rayon filaments, single, untwisted, nes, not put up	1.12
550922	Yarn, $\geq 85\%$ of polyester staple fibres, multiple, not put up, nes	0.71
551110	Yarn, $\geq 85\%$ of synthetic staple fibres, o/t sewing thread, put up	0.60

Source: Compiled from UN Comtrade data.

MADE-UPS

HS CODE	PRODUCT DESCRIPTION	IMPORT IN 2013 (In US\$ Mn.)
560811	Made up fishing nets, of man-made textile materials	22.32
630140	Blankets (o/t electric) and travelling rugs, of synthetic fibres	16.17
630533	Sacks, bags, packing, of strip plastic material	4.82
630790	Made up articles, of textile materials, nes, including dress patterns	3.25
630312	Curtains, drapes, interior blinds & curtain/bd valances, of syn fib, knitted	1.80
590900	Textile hosepiping and similar textile tubing	1.20
630293	Toilet and kitchen linen, of man-made fibres	0.79



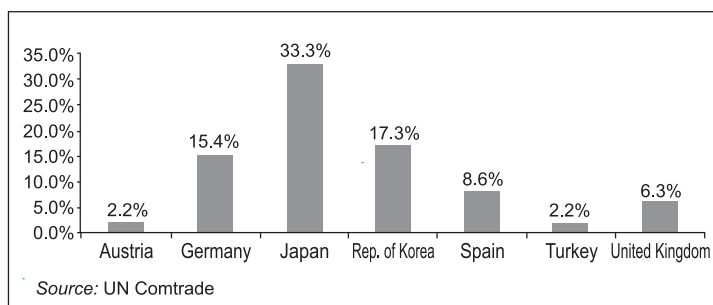
HS CODE	PRODUCT DESCRIPTION	IMPORT IN 2013 (In US\$ Mn.)
630532	Flexible intermediate bulk containers, man-made mater	0.75
630222	Bed linen, of man-made fibres, printed, not knitted	0.70
631090	Used or new rags of textile materials, not sorted	0.58
630720	Life jackets and life belts, of textile materials	0.46
611780	Clothing accessories nes, of textile materials, knitted	0.35
630493	Furnishing articles nes, of synthetic fibres, not knitted or crocheted	0.31

Source: Compiled from UN Comtrade data.

EXPORTS

Information based on an analysis of garment exports & production, Myanmar exported over US\$ 2 billion of garment during 2014. This represents a near doubling of garment exports during 2013 which was approximately 1.2 billion.

MAJOR MYANMAR GARMENT EXPORT DESTINATIONS



ADVANTAGES OF MYANMAR

Hiring labor in Myanmar offers significant cost savings to western manufacturers, as Myanmar workers are among the lowest paid in Asia, earning an average US\$2 per day versus US\$20 per day in neighboring Thailand. But, it is not just the cheaper and abundant labor, but the investment and tax incentives, the Myanmar government is offering for

those manufacturers established in special economic zones which are attracting investment interest. Incentives include a 5 year holiday on tax, custom duty exemptions on imported machinery and equipment as well as the value of the machinery being considered part of the capital investment requirement. Myanmar is likely to develop into a viable apparel sourcing destination very soon. This will also open up an opportunity for Indian MMF textiles especially fabrics.

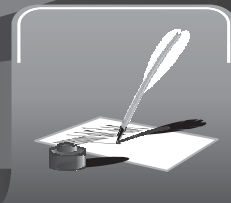
SCOPE FOR INDIA

The flourishing garment sector in Myanmar promises high scope for exporting man-made fibre textile products including fibre, yarn, and fabrics from its neighbouring markets since its domestic production of these textile products are insufficient to meet growing demand. India being the largest man-made fibre producing and exporting neighbour of Myanmar, it offers opportunities for India to tap the market and increase exports to Myanmar. Moreover, the long span friendly political relationship that both countries share will be an additional advantage for India to do business with Myanmar.

The key export markets are Japan (US\$348 million) and South Korea (US\$232 million), with remaining exports going to EU, Brazil, Argentina, South Africa and Turkey. EU is going to be a leading destination for Myanmar garments as it avails EU GSP plus status through which exports from Myanmar could enter EU duty free. Moreover, since the US has planned to lift most of the trade sanctions on Myanmar, the garment manufacturers anticipate a lot of demand in the coming years. Prior to the sanctions, about 85% of the nation's exports were apparel and textiles of which around 25% went to the U.S. Currently; Japan is Myanmar's largest garment customer, with shipments of US\$ 243 Mn accounting for 34% of total clothing exports.

TRADE AGREEMENTS

Regarding preferential trade agreements with European nations, Myanmar benefits from GSP preferences in the EU market. Although the United States has not yet chosen to re-instate GSP preferences for Myanmar products, Myanmar is offered MFN status, resulting



in lower tariffs than nations which do not have such status.

As a member of the ASEAN trade bloc, Myanmar will also be part of the ASEAN free trade area from 2015. This will necessitate Myanmar's inclusion in several multi-lateral free trade pacts, such as the ASEAN-China Free Trade Area, the ASEAN-Korea Free Trade Area, the ASEAN-Australia-New Zealand Free Trade Area, the ASEAN-India Free Trade Area, and the ASEAN-Japan Comprehensive Economic Partnership.

Discussions are ongoing for the Regional Comprehensive Economic Partnership. This intends to be an ASEAN 6 free trade arrangements between the ASEAN 10 nations with China, India, Japan, South Korea, Australia and New Zealand. This RCEP is going to be the largest trade block in the world. Hence, Myanmar is the most important market for exports of Indian textile products to the entire RECP block.

CONCLUSION

Myanmar is a promising potential market for Indian man-made fibre textiles in the near future. Myanmar is important in India's foreign policy for at least three, if not more, important reasons. First and the most

important is the strategic importance of Myanmar as a bridge between India and Southeast Asia. Myanmar is the only country in Southeast Asia that has land and maritime borders with India, an important route for trade and commerce, particularly with India's northeast states. Moreover, the latest thrust in India's Look East Policy is to link India's northeast with Southeast Asia to restore old historical relations between the two regions, and also build land connectivity between India and Thailand, Laos, Cambodia and Vietnam through Myanmar for promotion of trade and commerce.

It is in this context the maiden two-day export promotion programme organized by the Council has provided an excellent opportunity for the participating Indian companies to understand the requirements of the Myanmar market and also its way of doing business. It also helped in projecting India before the Myanmar buyers as a major textile producing country and a reliable supplier of manmade fibre textiles. The event is also expected to give further boosts to the existing exports of Indian man-made fibre textiles to Myanmar. In view of the potential of the Myanmar market for Indian man-made fibre textiles, the Council may organize follow-up events like Reverse Buyer Seller Meet (RSBM), Repeat visit of B2B groups, etc. during 2015. ❖❖

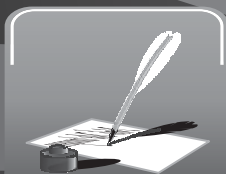
PARTICIPATE IN 44TH FEDERAL TRADE FAIR “TEXTILLEGPROM”, 17-20, FEBRUARY 2015

The Council is organizing participation of its member-companies in the forthcoming edition of Federal Trade Fair in Moscow, Russia from 17 – 20 February 2015. Federal Trade Fair “TEXTILLEGPROM” is one of the biggest Exhibitions for Textiles/Clothing in Russia.

The participation fee for a booth of 9 sq. mtrs. is ₹ 2.35 lakhs with a customized booth-package for SRTEPC participants.

Member companies are eligible for claiming reimbursement under the MDA Scheme for an amount of ₹ 1.50 lakhs, subject to the fulfillment of certain terms & conditions.

For further information regarding participation in the Fair please contact Shri Srijib Roy, Joint Director, SRTEPC, Tel : 022-22048797, 22048690, Fax : 022-22048358, E-mail : srtepc@srtepc.org/tp@srtepc.org or visit our website www.srtepc.org. ❖❖



TURKEY – STEADILY INCREASING EXPORTS OF INDIAN MMF TEXTILES

Turkey is one of the leading markets for Indian Man-Made Fibre Textiles. The exports to this market have been growing steadily and reached a level of 19% during 2013-14 and this trend has continued in the current year. It is expected that exports will show a higher growth in 2014-15.

GROWING TEXTILE MARKET

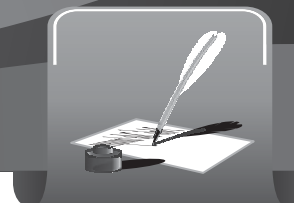
Turkey is a major supplier of Ready-made garments to the European countries. Despite the country domestically produces raw-materials and intermediaries like fibre, yarn and fabrics for its flourishing garmenting sector, these are inadequate and hence it imports substantial quantity of these textile material. Thereby, offering big scope for sourcing yarns and fabrics from India. Turkey's total import of Textile and Clothing from World was over nearly US\$ 12 billion in 2013. Its global import of textiles also was about US\$ 10 billion during 2013 in which around 56% (US\$ 6 billion) was of man-made fibre textiles. However, India's share in Turkish total import of Man-made fibre textiles during 2013 was around US\$ 557 million accounting for 9%. Hence, there is further scope for increasing exports of Indian MMF textiles to Turkey. Product share in the export basket of Indian MMF textiles to Turkey was Yarn 71%, fibre 18%, fabrics 5% and Made-ups 6%. Main countries which supplied MMF textiles to Turkey were China, India, Indonesia, Korea Rep. Malaysia, Germany, etc.

IMPORT OF TEXTILE AND CLOTHING

Value in USD MN

Chapter	Product Description	Import from World during 2013	Import from India during 2013	% Share of India
50	Silk	44.19	1.86	4.22
51	Wool, animal hair, horsehair yarn and fabric thereof	355.82	1.10	0.31
52	Cotton	2989.19	127.93	4.28
53	Vegetable textile fibres nes, paper yarn, woven fabric	262.62	3.16	1.20
54	Manmade filaments	2089.76	281.09	13.45
55	Manmade staple fibres	2175.30	245.12	11.27
56	Wadding, felt, nonwovens, yarns, twine, cordage, etc	391.70	24.96	6.37
57	Carpets and other textile floor coverings	184.56	56.38	30.55
58	Special woven or tufted fabric, lace, tapestry etc	200.29	10.42	5.20
59	Impregnated, coated or laminated textile fabric	345.98	0.90	0.26
60	Knitted or crocheted fabric	446.66	0.33	0.07
61	Articles of apparel, accessories, knit or crochet	941.23	30.09	3.20
62	Articles of apparel, accessories, not knit or crochet	1862.91	70.99	3.81
63	Other made textile articles, sets, worn clothing etc	167.26	13.29	7.95
Total		12457.45	867.63	6.96

Source: UN COMTRADE



IMPORT DUTY STRUCTURE OF TURKEY

Turkey's import Tariffs (percent ad valorem) for Textiles and Apparel are as follows :

Product	HS Chapter/Subheading	Tariff Rate Range (%)
Fibre/Yarn		
-silk	5003-5006	0 - 5
-wool	5105-5110	2 - 5
-cotton	5204-5207	4 - 5
-other vegetable fiber	5306-5308	0 - 5
-man-made fiber/Yarn	5401-5406/5501-5511	3.8 - 5
Woven Fabric		
-silk	5007	3 - 7.5
-wool	5111-5113	5.3 - 8
-cotton	5208-5212	8
-other vegetable fiber	5309-5311	4 - 8
-man-made fiber	5407-5408/5512-5516	8
Knit Fabric	60	6.5 - 8
Non Woven Fabric	5603	4.3
Industrial Fabric	59	4 - 8
Apparel	61-62	6.3 - 12
Home Furnishings	63	0 - 12
including: bed, bath, kitchen linens, etc.		
Carpet	57	3 - 8

Additional Import Taxes and Fees

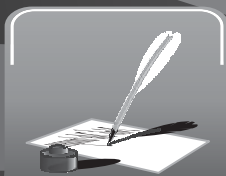
Customs surcharges including a VAT (value added tax) are levied on most imported, as well as domestic, goods including textiles. The importer is responsible for paying the VAT. The VAT is calculated on a C.I.F. basis plus duty rate and any other applicable charges levied before the goods cleared at customs. A reduced VAT rate of 8% is applied on contract manufacturing for textile and ready-to-wear works.

Temporary Entry/Samples

Samples of no commercial value are admitted duty-free. Other samples are assessed duties and taxes at the time of import, but these are refunded if the samples are re-exported within six months from the date of import.

Major Countries exporting Man-Made filament products cover under Chapter 54 to Turkey

Country	Export during 2013 (in USD Mn)
World	2089.76
China	528.36
Indonesia	303.02
India	332.42
Vietnam	168.67
Korea Rep	134.84
Malaysia	108.43
Italy	78.91
Egypt	66.12
Germany	51.93
U.K.	13.99
Spain	30.38



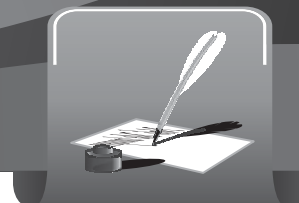
Major Import of textile products made out of Man-made filament (covers under chapter 54) by Turkey

HS Code	Product label	Import during 2013 (In US\$ Mn)
540233	Textured yarn nes,of polyester filaments,not put up for retail sale	594.478
540247	Filament yarn of polyester, incl. monofilament of < 67 decitex, single	244.195
540761	Woven fabric >85% non-textured polyester filaments	201.585
540246	Filament yarn of polyester, incl. monofilament of < 67 decitex, single	143.654
540244	Synthetic filament elastomeric yarn, single, untwisted or with a twist	120.229
540751	Woven fabrics,>=85% of textured polyester filaments, unbl or bl, nes	85.878
540752	Woven fabrics,>=85% of textured polyester filaments, dyed, nes	74.046
540231	Texturd yarn nes,of nylon/oth polyamides fi,<=50tex/s.y.,not put up	60.653
540245	Filament yarn of nylon or other polyamides, incl. monofilament of < 67	60.403
540252	Yarn of polyester filaments, single, >50 turns per metre, not put up	45.813
540220	High tenacity yarn (o/t sewg thread),of polyester filaments,not put up	44.242
540262	Yarn of polyester filaments, multiple, nes, not put up	41.977
540331	Yarn of viscose rayon filaments, single, untwisted, nes, not put up	40.494
540769	Woven fabric >85% polyester filaments, nes	36.423
540822	Woven fab,>=85% of artificial fi or strip of art tex mat,dyed,nes	32.173
540490	Strip&the like of syn tex material of an apparent width nt exceedg 5mm	27.33
540232	Texturd yarn nes,of nylon/oth polyamides fi,>50 tex/s.y.,not put up	19.745
540219	High-tenacity filament yarn of nylon or other polyamides (excl. sewing	16.975
540720	Woven fab obtaind from strip/the like of synthetic textile materials	16.965

Turkey currently imports a significant amount of MMF yarn from India and the major varieties are yarns, Polyester Filament Yarn, Synthetic Filament yarn, Polyester Viscose Yarn, etc. India's main competitors in exports of yarns to Turkey are China, Indonesia, Vietnam, Korea Rep and Malaysia.

Major Countries exporting Man-Made Staple Fibre products cover under Chapter 55 to Turkey

Country	Export during 2013 Value in USD Mn
World	2175.298
Indonesia	283.003
India	240.814
China	238.324
Vietnam	200.916
Germany	95.657
Malaysia	93.303
Austria	91.649
Italy	76.49
Thailand	59.171
Egypt	39.077
USA	20.58



Main Man-made Staple Fibre covered under chapter 55 imported by Turkey

HS Code	Product label	Import during 2013 (In US\$ 000)
550410	Staple fibres of viscose, not carded or combed	478.528
550320	Staple fibres of polyesters, not carded or combed	201.411
550951	Yarn of polyester staple fibres mixd w/ arti staple fib,not put up,nes	163.127
551011	Yarn,>=85% of artificial staple fibres, single, not put up	145.043
550130	Filament tow of acrylic or modacrylic	131.477
550330	Staple fibres of acrylic or modacrylic, not carded or combed	122.997
550921	Yarn,>=85% of polyester staple fibres, single, not put up	107.572
550200	Artificial filament tow	98.798
551611	Woven fabrics,containg>=85% of artificial staple fibres,unbleached/bl	88.462
550953	Yarn of polyester staple fibres mixed with cotton, not put up, nes	69.75
551511	Woven fab of polyester staple fib mixd w viscose rayon staple fib,nes	67.125
550810	Sewing thread of synthetic staple fibres	50.858
551512	Woven fabrics of polyester staple fibres mixd w man-made filaments,nes	49.344
550922	Yarn,>=85% of polyester staple fibres, multiple, not put up, nes	48.552
551311	Plain weave polyest stapl fib fab,<85%,mixd w/cottn,<=170g/m2,unbl/bl	47.231
550490	Artificial staple fibres, o/t viscose, not carded or combed	34.393
550961	Yarn of acrylic staple fib mixd w wool/fine animal hair,not put up,nes	26.122
551030	Yarn of artificial staple fibres mixed with cotton, not put up, nes	19.261
550610	Staple fibres of nylon or other polyamides, carded or combed	15.339
551012	Yarn,>=85% of artificial staple fibres, multiple, not put up, nes	14.293
550952	Yarn of polyester staple fib mixd w wool/fine animl hair,nt put up,nes	13.856

Source: UN COMTRADE

Viscose Staple Fibre was one of the major MMF textile products imported by Turkey during 2013 followed by Polyester staple fibre and yarn of Polyester staple fibre, etc.

INDIAN MMF TEXTILES EXPORT TO TURKEY

Turkey is a potential market for Indian MMF textiles as per the statistics given below:

Value in USD MN

	Fabrics	Made-ups	Yarn	Fibre	Total	% Gr/Dec
2009-2010	18.85	5.27	142.95	66.55	233.62	
2010-2011	22.64	8.55	231.77	61.08	324.04	38.7
2011-2012	14.28	7.73	339.15	94.08	455.24	40.49
2012-2013	8.63	9.04	352.94	95.81	466.42	2.46
2013-2014	26.38	32.75	400.94	96.8	556.87	19.39

Source: DGCI&S



India's main Items of export to Turkey during 2013-14

Fabrics	Polyester Filament Fabrics, Synthetic Filament Fabrics
	Polyester Blended Fabrics, Polyester Viscose Fabrics
	Polyester Spun Fabrics
Made-ups	Muffler, Other Made-up, Shawls/Scarves
	Blanket, Motifs
Yarn	Polyester Filament Yarn, Polyester Viscose Yarn
	Polyester Spun Yarn, Polyester Cotton Yarn
	Nylon Spun Yarn
Fibre	Viscose Staple Fibre, Polyester Staple Fibre

SRTEPC PROMOTIONAL PROGRAMME

The Council, as part of its Promotional Programmes had organized successful Events/Exhibitions in Turkey in recent past with encouraging results. This time also the Council is planning to organize an exclusive Indian Textile Exhibition in Turkey during February 2015. The Council would like to organize this proposed Event in association with leading Business Chamber in Turkey with active support from Indian Embassy and the Consulate General of India. The Council requests all its member-exporters to participate in the Event massively and take advantage of the same

OPPORTUNITIES

Exports of Synthetic and Rayon textiles to Turkey were valued USD 556.87 Mn during 2013-14, registering a growth of 19% as compared to the previous year.

Yarn constitutes 71% of the total exports followed by fabrics 5%, Made-ups 6% and fibre 18%.

In the Yarn segment Polyester Filament Yarn, Polyester Viscose Yarn and Polyester Spun Yarn etc. were the main products exported to Turkey during 2013-14. However, there exist ample opportunities for increasing export of MMF textiles to Turkey. Since currently India's share is below 10% of Turkey's total import of these textiles from the World.





CBEC-CUSTOMS

Seeks to amend notification No 12/2012-Customs dated 17/03/2012 [condition number 100 of the ANNEXURE] to extend the time period for furnishing the utilization certificate from the jurisdictional AC/DC of Central Excise from 6 months to 12 months.

Notification No. 30/2014-Customs dated 20th October, 2014

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2012-Customs, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R.185 (E), dated the 17th March, 2012, namely:-

In the said notification, in the ANNEXURE, in condition number 100, in clause (b), for the words “within a period of six months” the words “within a period of twelve months” shall be substituted.

<http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2014/cs-tarr2014/cs30-2014.htm>

CBEC- CENTRAL EXCISE

Export warehousing – Extension of facility at Bhuj Taluka in Kutch District in the state of Gujarat - regarding.

Circular No. 987/11/2014-CX dated 15.10.2014

I am directed to refer to Board's Circular No. 581/18/2001-CX dated 29th June, 2001 which, inter-alia, specifies conditions, procedures, class of exporters and places under sub-rule (2) of rule 20 of Central Excise Rules, 2002 for warehousing of excisable goods for the purpose of export. In paragraph 2(2) of the said Circular, the Board has specified places where warehouses may be established to store excisable goods for export. The Board has received representations from the trade to include Bhuj Taluka of Kutch District in the state of Gujarat in the list of places mentioned in the said Circular.

2. The matter has been examined. Board is of the view that extension of the facility of export warehousing to Bhuj Taluka of Kutch district in the state of Gujarat would facilitate the trade and industry. Therefore, it has been decided to amend paragraph 2(2) of the Circular No. 581/18/2001-CX dated 29th June, 2001 to include Bhuj Taluka of Kutch District in the state of Gujarat. Accordingly, the said paragraph shall now read as follows:

“(2) Places: The warehouses may be established and registered in Ahmedabad, Bangalore, Kolkata, Chennai, Delhi, Hyderabad, Jaipur, Kanpur, Ludhiana, Mumbai, the districts of Pune and Raigad in the state of Maharashtra, the district of East Midnapore in the state of West Bengal, the district of Kancheepuram in the state of Tamil Nadu, the district of Indore in the state of Madhya Pradesh, the taluka Ankleshwar in the district of Bharuch in the state of Gujarat, Navi Mumbai in the district of Thane in the state of Maharashtra, Sholinghur in the district of Vellore in the state of Tamil Nadu, Bidadi in the Bangalore Rural District, Karnataka, the district of Thiruvallur in the state of Tamil Nadu, the district of Gautam Budh Nagar in the state of Uttar Pradesh, the district of Nagpur in the state of Maharashtra, Tehsil of Tijara of Alwar district in the state of Rajasthan and Bhuj Taluka of Kutch District in the state of Gujarat.”

3. The field formations may suitably be informed. Receipt of this Circular may please be acknowledged. Hindi version will follow.

Yours faithfully,

(ROHAN)
OSD CX.6

<http://www.cbec.gov.in/excise/cx-circulars/cx-circ14/987-2014cx.htm>



Splitting up of rebate claims to avoid pre-audit-reg.

Central Excise Instruction dated 3rd November, 2014

Instances have been brought to the notice of the Board where the assesses have submitted rebate claims by splitting up the amounts of rebate claims so as to keep each individual claim below Rs. 5 lakhs to avoid pre-audit.

2. Rebate sanctioning authorities may note that they may order pre-audit by clubbing such claims where such claims are artificially split and there is need for pre-audit. Such exercise of powers shall be discretionary and used more as an exception than rule.
3. Above directions may be brought to the notice of the officers competent to sanction rebate claims in the field. Hindi version will follow. Difficulty, if any, in the implementation of the instruction may be brought to the notice of the Board.

Yours faithfully,

(ROHAN)
OSD (CX.6)

<http://www.cbec.gov.in/excise/cs-circulars/cx-ins-14/cx-ins-split-rebatec/aims.htm>

SERVICE TAX

Circular No. 180/06/2014 – ST dated 14th October, 2014

Levy of service tax on activities involved in relation to inward remittances from abroad to beneficiaries in India through MTSOs- reg.

Vide circular No. 163/14/2012–ST, dated 10th July, 2012, on the issue of levy of service tax on the activities involved in the inward remittance it was clarified that there is no service tax per se on the foreign exchange remitted to India from outside for the reason that money does not constitute a service and that conversion charges or fee levied for sending such money would also not be liable to service tax as the person sending money and the company conducting the remittance are both located outside India. It was also clarified that the Indian bank or financial institution who provides service to the foreign bank or any other entity is not liable to service tax as the place of provision of service shall be the location of the recipient of service. This clarification covers the scenario where the Indian bank or financial institution provides services on principal to principal basis to the foreign bank/entity, on its own account, and thus the service is covered by the general rule, i.e. rule 3 of the Place of Provision of Service Rules, 2012.

2. However, subsequently, it had been brought to the notice of the Board that the foreign money transfer service operator (MTSO), conducting remittances to beneficiaries in India, have appointed Indian Banks/ financial entities as their agents in India who provide agency /representation service to such MTSO for furtherance of their service to a beneficiary in India. The agents are paid a commission or fee by the MTSO for their services. The entire sequence of transactions in remittances of money from overseas through the MTSO route is as under:

Step 1: Remitter located outside India (say 'A') approaches a Money Transfer Service Operator (**MTSO**) bank (say B) located outside India for remitting the money to a beneficiary in India; 'B' charges a fee from 'A'.

Step 2: 'B' avails the services of an Indian entity (**agent**) (say 'C') for delivery of money to the ultimate recipient of money in India (say 'E'); 'C' is paid a commission/fee by 'B'.

Step 3: 'C' may avail service of a **sub-agent** (D). 'D' charges fee/commission from 'C'.

Step 4: 'C' or 'D', as the case may be, delivers the money to 'E' and may charge a fee from 'E'.



3. Clarifications have been sought as to whether such agents (referred in Step 2 above) would fall in the category of intermediary, and if so, whether service tax would be leviable on the commission/fee amount charged by such agents. Clarifications have also been sought as to whether the services provided by sub agent (referred in step 3 & 4 above) are leviable to service tax and on certain other related issues.
4. The issues discussed above have been examined and it is clarified as follows,-

S. No.	Issues	Clarification
1.	Whether service tax is payable on remittance received in India from abroad?	No service tax is payable per se on the amount of foreign currency remitted to India from overseas. As the remittance comprises money, it does not in itself constitute any service in terms of the definition of 'service' as contained in clause (44) of section 65B of the Finance Act 1994.
2.	Whether the service of an agent or the representation service provided by an Indian entity/ bank to a foreign money transfer service operator (MTSO) in relation to money transfer falls in the category of intermediary service?	Yes. The Indian bank or other entity acting as an agent to MTSO in relation to money transfer, facilitates in the delivery of the remittance to the beneficiary in India. In performing this service, the Indian Bank/entity facilitates the provision of Money transfer Service by the MTSO to a beneficiary in India. For their service, agent receives commission or fee. Hence, the agent falls in the category of intermediary as defined in rule 2(f) of the Place of Provision of Service Rules, 2012.
3	Whether service tax is leviable on the service provided, as mentioned in point 2 above, by an intermediary/agent located in India (in taxable territory) to MTSSOs located outside India?	Service provided by an intermediary is covered by rule 9 (c) of the Place of Provision of Service Rules, 2012. As per this rule, the place of provision of service is the location of service provider. Hence, service provided by an agent, located in India (in taxable territory), to MTSO is liable to service tax. The value of intermediary service provided by the agent to MTSO is the commission or fee or any similar amount, by whatever name called, received by it from MTSO and service tax is payable on such commission or fee.
4.	Whether service tax would apply on the amount charged separately, if any, by the Indian bank/entity/agent/sub-agent from the person who receives remittance in the taxable territory, for the service provided by such Indian bank/entity/ agent/sub-agent	Yes. As the service is provided by Indian bank/entity/agent/ sub-agent to a person located in taxable territory, the Place of Provision is in the taxable territory. Therefore, service tax is payable on amount charged separately, if any.
5.	Whether service tax would apply on the services provided by way of currency conversion by a bank /entity located in India (in the taxable territory) to the recipient of remittance in India?	Any activity of money changing comprises an independent taxable activity. Therefore, service tax applies on currency conversion in such cases in terms of the Service Tax (Determination of Value) Rules. Service provider has an option to pay service tax at prescribed rates in terms of Rule 6(7B) of the Service Tax Rules 1994.
6.	Whether services provided by sub-agents to such Indian Bank/entity located in the taxable territory in relation to money transfer is leviable to service tax?	Sub-agents also fall in the category of intermediary. Therefore, service tax is payable on commission received by sub-agents from Indian bank/entity.

5. Accordingly, Circular No. 163/14/2012-ST, dated 10.7.2012 stands superceded.
6. Trade Notice/Public Notice may be issued accordingly.
7. Please acknowledge the receipt of this circular. Hindi version to follow.

Yours sincerely,

(Dr. Abhishek Chandra Gupta)
Technical Officer, TRU
Tel: 011-2309 2037

<http://www.servicetax.gov.in/circular/st-circular14/st-circ-180-2014.htm>



RESERVE BANK OF INDIA

Export Credit Refinance Facilities

RBI/2014-15/249

REF.No.MPD.BC. 374 /07.01.279/2014-15 dated 30th September, 2014 dated 30th September, 2014

Please refer to our circular No.MPD.372/07.01.279/2013-14 dated June 3, 2014 whereby the eligible limit of export credit refinance (ECR) facility for schedule banks (excluding RRBs) was reduced from the level of 50 per cent of the outstanding rupee export credit eligible for refinance as at the end of the second preceding fortnight to 32 per cent.

2. As indicated in the Fourth Bi-Monthly Monetary Policy Statement, 2014-15 announced today, it has been decided to reduce the eligible limit of ECR facility from the level of 32 per cent of the outstanding rupee export credit eligible for refinance as at the end of the second preceding fortnight to 15 per cent effective from October 10, 2014.
3. Accordingly, part A of the reporting format appearing in Annex III of the Master Circular No.MPD. 373/07.01.279/2014-15 dated July 1, 2014 is modified and enclosed.

Yours faithfully,

(Michael Debabrata Patra)
Principal Adviser

Annex III
Reporting Formats
Form DAD 389

Name of the Bank _____

Statement showing the Export Credit Refinance Limit for the fortnight ended _____

PART – A

(₹ in lakh)

1. Outstanding Export Credit as on the last Friday of the _____
second preceding reporting fortnight *
2. Export Credit Refinance Limit (15 per cent of item no. 1) _____


* Outstanding Export Credit for the purpose of working out refinance limits will be aggregate outstanding export credit minus Export bills rediscounted with other banks/Exim Bank/Financial Institutions, Export Credit against which refinance has been obtained from NABARD/Exim Bank, Pre-shipment Credit in Foreign Currency (PCFC), Export bills discounted/rediscounted under the scheme of 'Rediscounting of Export Bills Abroad' (EBR), Overdue Rupee Export Credit and other Export Credit not eligible for refinance.

<http://rbi.org.in/scripts/NotificationUser.aspx?Id=9261&Mode=0>



VIEW OF THE STALLS AT THE EXHIBITION





Future is Bright

for Indian Man-Made Fibre Textiles

SRTEPC strives to enhance the exports of Value Added Indian MMF Textiles. Its members export Fibre, Yarns, Fabrics & Made-Ups for more than six decades.

srtepc

srtepc has been:

- Facilitating long term Buyer-Seller Relationship
- Providing Knowledge for growth of MMF textiles
- Organising trade fairs, exhibitions, buyer seller meets both in India and Abroad
- Providing linkages with all the stakeholders including Government authorities to create harmonious growth and conducive policy framework for exports
- Conducting market studies to keep updated on market information and trade opportunities
- Sharing information on trends for adaptation to overseas markets & product development
- Building awareness and goodwill for Indian players in MMF segment
- Conducting workshops & seminars for disseminating market information and intelligence.

**SRTEPC has been taking the above initiatives for more than six decades.
Experience and expertise you can trust on. Always**

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

Your link to Overseas Buyers of Synthetic & Rayon Textiles

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