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HIGHLIGHTS OF THE NEW FOREIGN TRADE POLICY 2015-20

Smt. Nirmala Sitharaman, Hon'ble Union Minister of State for Commerce & Industry, Government of India has announced the new Foreign Trade Policy 2015-20 on 1st April 2015.

The Highlights of the new Foreign Trade Policy 2015-20 are produced below for ready reference of the member-exporters :

SIMPLIFICATION & MERGER OF REWARD SCHEMES

Merchandise Exports from India Scheme (MEIS)

Schemes such as Focus Product Scheme, Market Linked Focus Product Scheme, Focus Market Scheme, Agri. Infrastructure Incentive Scrip, Vishesh Krishi and Gram Udyog Yojana (VKGUY) have been merged into a single scheme, namely Merchandise Export from India Scheme (MEIS) with no conditions.

Country Groups:

Category A: Traditional Markets (30) - European Union (28), USA, Canada.

Category B: Emerging & Focus Markets (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,

Category C: Other Markets (70).

Rewards for export of notified goods to notified markets under 'Merchandise Exports from India Scheme (MEIS) shall be payable as percentage of realized Free on Board (FOB) value (in free foreign exchange). The debits towards basic customs duty in the transferable reward duty credit scrips would also be allowed adjustment as duty drawback. At present, only the additional duty of customs / excise duty / service tax is allowed adjustment as CENVAT credit or drawback, as per Department of Revenue rules.

Chapter-3 Incentives (MEIS & Service Export from India Scheme (SEIS) to be available for SEZs

It is now proposed to extend Chapter -3 Incentives (MEIS & SEIS) to units located in SEZs also.

Duty credit scrips to be freely transferable and usable for payment of custom duty, excise duty and service tax.

(a) All scrips issued under MEIS and SEIS and the goods imported against these scrips would be fully transferable.

(b) Scrips issued under Exports from India Schemes can be used for the following:-

   (i) Payment of customs duty for import of inputs/ goods including capital goods, except items listed in Appendix 3A.

   (ii) Payment of excise duty on domestic procurement of inputs or goods, including capital goods as per Department of Revenue (DoR) notification.

   (iii) Payment of service tax on procurement of services as per DoR notification.

(c) Basic Customs Duty paid in cash or through debit under Duty Credit Scrip can be taken back as Duty Drawback as per DoR Rules, if inputs so imported are used for exports.

IMPORTER-EXPORTER CODE (IEC)

The facility for E-IEC has been operationalized.

One Permanent Account Number (PAN) One IEC

Directors/Partners/Proprietors

- PAN
- Director Identification Number (DIN)/ Designated Partner Identification Number (DPIN)

PAN details of signatory

Incomplete applications to be rejected, could be re-opened in 90 days else treated as withdrawn.

Profile to be updated upon change immediately else at least once in a year.

(Contd. on Page 12)

COLOMBIA PROMISING MARKET FOR INDIAN MMF TEXTILES

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) as a sequel to its export promotion initiative organized exclusive Exhibition of MMF textiles at Bogota in Colombia from March 3 to 4 2015. The Council expresses its gratitude for the guidance and support it received from the Embassy of India in Bogota and the assistance from M/s. Camara Colombia Industria de Comercia e Industria, a professional Event Management Agency for successfully completing this event. This is the fifth time SRTEPC has organized exclusive Exhibition of MMF textiles in Colombia.

Participation

H. E. Mr. Prabhat Kumar, Ambassador of India in Bogota inaugurated the Exhibition amidst a large number of buyers, representatives of the local trade & industry, and also media persons. Twelve member companies of the Council participated in the Exhibition in Colombia.

H. E. Mr. Prabhat Kumar, Ambassador of India inaugurating the Indian Textile Exhibition – INTEXPO in Bogota, Colombia

Representatives of more than 52 Colombian companies visited the stalls of the participating member-companies. A pre-arranged schedule of Meetings was organized on the basis of product profiles of the participating Indian companies. The invited Colombian buyers/agents met their Indian counterparts and discussed business. Thus each participating company had, on an average, 15 business meetings during the 2-day Exhibition. This would result in crystalising future business initiatives and trade flow between India and Colombia.

Most participants rated the arrangements and facilities provided for the Exhibition as good.

Media coverage

The Exhibition, received wide coverage in Colombian media including local Newspapers, and Television Channels, which was instrumental in disseminating awareness about the vast capacities of the Indian MMF Textile Industry, its wide range of products and advantages of sourcing textiles from India.

Colombia – an emerging market for Indian textiles in Latin America : Colombia is one of the few strongly emerging economies in the Latin American region. It has good manufacturing sectors and the same is growing over 4% annually during the past few years. Colombia is the 3rd largest populous country in the region with a population of about 46 million.

Colombia is the 4th largest economy GDP-wise with US$ 430 billion (2013) in the Latin American region. It is a free market economy with major commercial and investment ties with the United States. It has five major industrial centres – Bogota, Medellin, Cali, Barranquilla and Bucaramanga – each located in a distinct geographical region.

The United States is Colombia's largest Trading Partner - representing about 37% of Colombia's exports and 28% of its imports. Colombia is the United States fourth largest Trading Partner in Latin America - after Mexico, Brazil and Venezuela, and it is also the member of the North American Free Trade Agreement (NAFTA) countries.

(Contd. on Page 29)

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Editor: **V. ANIL KUMAR**

CONTENTS

Dear Member,

The long awaited Foreign Trade Policy 2015-20 was announced by the Hon'ble Union Minister of State for Commerce & Industry, Smt. Nirmala Sitharaman on April 1, 2015. It has set an ambitious target to double India's exports by 2020. The Council welcomes the innovative initiatives in the FTP aimed to facilitate exports through a slew of measures addressing the procedural and process related activities of export promotion.

Unlike expected, the FTP 2015-20 has been deeply disappointing for the entire textile fraternity and particularly to the Man-made Fibre textiles sector. The FTP has ignored the huge growth and export potential of the Man-made fibre textiles and overlooked its contribution for enhancing exports of value added products, as the trend have been, the world over. Moreover, the new MEIS scheme in the FTP has disregarded the majority of the MMF tariff lines. It has avoided rewards to potential markets of LAC and Africa for the MMF textile sector, which our members have been developing over the years through strenuous efforts.

We have brought to the notice of the Govt. the irony that on the one hand they have been supporting through their MDA & MAI schemes for developing these potential markets of LAC and Africa, while the FTA 2015-20 is silent on rewards for export promotion to them.

We have been getting large number of representations and reactions from our members, particularly from many medium and small manufacturers-exporters fraternity who are reeling under distress due to this knee-jerk policy change, which had over nightly withdrawn incentives to these markets which they had established and looking forward to expand.

We have highlighted their views to the Government and stressed that most of them would collapse since they operate on meager margins. I have met The Commerce Minister, Textile Minister and Textile Secretary in this regard and have highlighted the issue. This was also discussed in the meeting called by Textile Minister, Textile Secretary and DGFT on 17th April wherein I raised this issue. DGFT has agreed to look into realigning the benefit matrix and a meeting is being organised on 21st April.

The Council had made representations to the Hon'ble Commerce and Textile Ministers and also the DGFT to immediately look into the policy aberrations in the FTP, which are not encouraging exporters. It has been reiterated at appropriate levels in the Government that if these issues are not addressed immediately and rectified, could lead to huge adverse impact both economic and social and also consequences beyond comprehension affecting the export targets, employment and livelihood of millions dependent on this strategic sector. Our representation highlighted the importance to continue rewards to 1-2 years, to keep the momentum of exports, which once shifted will be difficult to regain, particularly *in the highly competitive global textile market. We have also cautioned that unless the Govt. follows a liberal and encouraging export promotion policy which would also strengthen value addition in line with 'Make in India', initiative, it is not possible to achieve the export target as envisioned.*

The Council has highlighted that in order to unleash the growth potential and achieve higher competitiveness for the MMF sector, there is a urgent need to address the following crucial issues concerning the MMF sector which include; the ongoing fiscal discrimination in comparison to cotton, lowering the Excise duty, treating MMF and Cotton textiles separately while applying the WTO threshold criteria, extending TUFS for strengthening downstream segments like weaving, processing and knitting of the MMF segment, extend higher benefits of 5% reward under MEIS for all MMF tariff lines across the three groups of identified countries in the FTP, restrict import of fabrics by imposing specific duties on all MMF fabrics, higher rate of interest subvention and drawback, extend production related stimulus measures similar to that of the China's.

We have also explained to the concerned in the Govt. the adverse consequences of allowing duty free import of fabrics worth 2% of FOB exports of Apparel to our Weaving industry and equally to the ambitious Make in India initiative which aims to enhance local production and value addition. In this regard, it has been agreed to set-up a Committee comprising the key stakeholders concerned for further deliberations and arrives at appropriate decision based on both financial implications and also its impact on the Man-made Fabrics segment as a whole.

The Govt. has requested for submission of drawback (DBK) data inputs to arrive at new drawback rates at the earliest. The Council had circulated the statements/table for gathering the DBK inputs from the members. We had also sent reminders to return the data sheets duly filled in. I once again request you to provide the details in the respective statements/tables provided to you so that we will be able to arrive at DBK and request to the Ministry of Finance for enhancing the same.

I am happy to note that members have been prompt in renewing their membership for the year 2015-16. I request all of you to renew your membership of the Council without delay so that we will be able to serve you better in all issues concerning export promotion services.

With warm regards,

Yours sincerely,

ANIL RAJVANSHI
CHAIRMAN
The Synthetic & Rayon Textiles Export Promotion Council

PAKISTAN

Textile exports to Turkey drops

Pakistan's bilateral trade with Turkey grew at good pace and crossed one billion dollar mark in 2010-11, but it started declining after the imposition of safeguard duties in August 2011 by Turkey to protect its domestic industry. The Government of Pakistan had been raising the issue at the highest level with the Turkish officials, but there had been no developments.

Pakistan's textile exports to Turkey have declined by almost 50 percent from US$ 1 billion to around US$ 500 million. Turkey also placed the extra Customs Duty on apparel imports from Pakistan, hampering mutual trade growth though it has no threats from Pakistan garments since it manufactures 95 per cent of fashion and casual wears.

As both countries are engaged in talks over Free Trade Agreement (FTA), the exporters have urged the government to convince its Turkish authorities to waive Safeguard Measures Duty of 42.2 percent which Turkey has placed on Pakistan's apparel imports.

Major items of exports to Turkey include articles of apparel, cloth, knitted crochet, and articles of apparel of textile material, cotton fabric (woven), chemical material and product, chemical elements and compounds, cotton yarn, leather and rice.

PRGMEA central chairman IjazKhokhar, said that Pakistani garments exports to Turkey had never posed a threat to its local industrial growth and the SMD was an additional Customs levy that caused a big financial trouble to Pakistani exporters and Turkish importers as well. Pakistani fabric exporters pay 35 percent total Customs Duty with additional 28.6 percent SMD at the import stage in Turkey. In fact, the higher duties should be brought to the original size to help augment both nations' mutual trade.

According to statistics, bilateral trade decreased from US$ 1.082 billion in 2010-11 to US$ 630.46 million during current fiscal, showing 42% decrease. Pakistan's exports decreased from US$ 906.58 million in 2010-11 to US$ 455.83 during current fiscal year, which is a 50% decrease. Pakistan's imports from Turkey showed a small decrease from US$ 176.26 million in 2010-11 to US$ 174.63 million which was only one percent decrease.

Trade profile in the first year of GSP Plus in EU shows slight improvement

Pakistan has shown improvement in its trade profile in the first year of the GSP Plus in the European Union. But definitely not significant enough both in terms of diversification of markets and commodities, considering the potential the facility offers. Exports to the EU are still concentrated in a few markets and restricted to a few commodities.

About 60 percent of the merchandise went to just five nations, with seven items contributing almost 75 percent of the total exports. However, a positive development is that value-added goods saw a noticeable and a sizable increase in exports to less developed member-states.

There is no identifiable marker to measure the progress or lack thereof of the preferential trade package. The common yardstick to measure success is merely the overall increase in volume of export proceeds, or changes in the share of different products in the overall exports. However, a few markers can be used to assess Pakistan's performance.

Pakistan's traditional sectors, mainly textile and leather, benefited from the facility. The major beneficiary was the textile garments segment, which went up by over 28 percent, followed by a 29 percent increase in home textiles. It appears that exporters have just diverted their products from other markets to Europe to avail the zero-duty facility.

Overall growth in textile and clothing exports remained negative, with the exception of minor rises in a few months, suggesting that the facility might not have helped Pakistan to move up the value chain. And no notable investments were made in the textile and clothing sectors.

SOUTH KOREA

Textile& clothing imports hit all-time high in 2014

South Korea's imports of textiles and clothing hit an all-time high in 2014, raising worries that the country could fall into a trade deficit soon in an industry that used to be a major growth engine for its economy.

South Korea imported US$ 14.66 billion worth of textiles and clothing last year, up 8.4 percent from a year earlier, according to the figures provided by the Korea International Trade Association. The amount represented the largest ever.

Exports inched down 0.1 percent on-year to US$ 15.94 billion, narrowing the industry's surplus to a record low of US$ 1.28 billion, about half the amount from a year earlier. South Korea's trade surplus in textiles and clothing peaked at US$ 14.04

billion in 1998, but it has been on the decline ever since. Experts worry that if this trend continues, the country could soon post a deficit in the sector.

South Korea and Vietnam to sign free trade deal to boost bilateral trade

Vietnam is South Korea's ninth-largest trading partner, with US$ 21.09 billion worth of products shipped to the Southeast Asian country in 2013. The two countries, South Korea and Vietnam have initialed free trade agreement with the aim to boost bilateral trade by removing tariffs and other barriers. South Korea will seek to formally sign the deal within the first half of this year and obtain parliamentary approval as soon as possible before implementing it by year-end.

In December, South Korean President Park Geun-hye and Vietnamese Prime Minister Nguyen Tan Dung announced the effective conclusion of bilateral FTA negotiations. The ministry said that the latest FTA will likely help small and medium enterprises to ship more textiles, auto parts, cosmetics and electronics goods to the Vietnamese market. The deal would allow South Korean firms to compete better with their Japanese competitors in the Vietnamese market.

CHINA

Exports rise 48.9% in Feb, imports slide 20%

China's exports surged in February, exceeding all estimates as the economy benefited from US growth and worked through data distortions linked to the Chinese New Year holiday and a crackdown on fake invoicing.

Exports gained more than 48 per cent from a year earlier, the customs administration said in Beijing. That compared with the median estimate for a 14 per cent jump in a Bloomberg survey of analysts. Imports slid more than 20 per cent, leaving a trade surplus of US$ 60.6 billion.

A recovering US has helped underpin China's economy as it seeks to cut down excess capacity and transition to a reliance on domestic demand rather than infrastructure investment. The skewed numbers also reflect other factors, including the timing of the lunar New Year holiday, plunging commodity prices and an effort to clamp down on capital outflows via faked trade receipts.

Exports to the US in the first two months jumped 21 per cent in yuan terms. Shipments to Association of Southeast Asian Nations also increased in January and February, rising 38 per cent.

INDONESIA

Exports to Egypt touched US$ 1.34 bn in 2014

The demand for Indonesian goods is pretty high in Egypt, said Indonesian Ambassador to Egypt NurfaiziSuwandi on the sidelines of the Cairo International Fair (CIF), the largest annual trade exhibition in Egypt and hence they are committed to continue increasing their exports to Egypt.

The primary Indonesian goods exported to Egypt included yarn, textile, handicrafts, crude palm oil (CPO), coffee, tea, paper, tires, electronic devices, and vehicle spare parts as per Indonesian embassy's trade attaché in Cairo.

The value of Indonesian exports to Egypt has increased by 21.71 percent to US$ 1.34 billion throughout the 2014 fiscal year from the US$ 1.1 billion recorded in the previous year. NurfaiziSuwandi said that the double-digit increase showed Jakarta's commitment to continue exploring economic and trade activities with Cairo.

SRI LANKA

Textiles & garment exports grow 9.4% in 2014

The export of textiles and garments from Sri Lanka increased by 9.4 per cent to US$ 4.929 billion in 2014, compared to exports of US$ 4.508 billion made in 2013, according to the data from the Economics Research Department of the Central Bank of Sri Lanka.

The 9.4 per cent growth rate registered by the textiles and garment exports was greater than 6.5 per cent and 7 per cent growth rates witnessed by Sri Lankan industrial exports and total exports during the year, the data showed. Textiles and clothing accounted for 59.75 per cent of Sri Lankan industrial exports and 44.34 per cent of all exports made by Sri Lanka in 2014.

On the other hand, the import of textiles and textile articles by Sri Lanka grew by 13.8 per cent to US$ 2.327 billion in 2014, as against imports of US$ 2.045 billion made in the previous year. The increase in imports of textiles and textile articles shows expansion of garment manufacturing in the island country.

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(Excerpts taken from Fibre2fashion and other textile related websites)

Strategy paper on competitiveness of textile exports

THE Commerce Ministry is all set to release a strategy paper on ways to enhance competitiveness of textile exports. Competitiveness of Indian textiles exports is going down. Countries, including Sri Lanka and Turkey, are more competitive in the sector. The Textiles Ministry is in the process of rolling out a National Textiles Policy, aimed at creating an additional 35 million jobs and push exports to US$ 300 billion by FY 2025.

The decision to bring out the strategy paper is a significant one as exports have been in the negative zone since December 2014.

Textiles exports have a share of more than 10 per cent in the total outbound shipments and the Ministry is taking every step to give the sector a boost.

Falling for the third straight month, exports declined steeply by over 15 per cent to US$ 21.54 billion in February 2015.

Government to re-launch the interest subvention scheme

The Government plans to reintroduce an interest subvention scheme in the next two three months to enable exporters from select labour intensive sectors to access cheaper credit soon.

It is learnt that the Finance Ministry has given the sanction to extend the interest subvention scheme for exports for three years and the Ministry of Commerce & Industry is working out the details of the scheme.

This should come as a relief for exporters who had been pushing for extension of the subvention scheme since April last year, when the previous scheme had lapsed.

Under the interest subvention scheme, the beneficiary exporters are provided credit at a subsidised rate by banks, which are later compensated by the Government.

The subvention scheme for the current fiscal year, however, may not be more expansive than the previous one as the provision of ₹ 1,625 crore which was only marginally higher than the ₹ 1,475 crore spent two years back.

The benefit of a 3 per cent subsidy under the previous interest subvention scheme was available to sectors such as handicrafts, handlooms, carpets, readymade garments, processed agricultural products and the small and medium sector.

RBI tightens rules for long term export advances

The Reserve Bank of India (RBI) has tightened the rules for granting long-term export advances to control the practice of using trade finance to retire old rupee loans.

The facility for long-term export advances was primarily being utilised for refinancing rupee loans of borrowers, instead of using it to execute long-term supply contracts for export of goods.

The foreign currency borrowing and export advances or support obtained from lenders (part of Indian banking system) for refinancing will be treated as restructuring. It is learnt that this is applicable to a borrower who is under financial difficulty and involves concessions that the bank would otherwise not consider.

The repayment or refinancing of foreign currency borrowings with a bank by the rupee or other foreign currency loans or support (such as guarantees) from lenders (part of Indian banking system) will also be treated as restructuring.

The financial difficulty would cover instances including repeated undue delay in timely payment of instalments (principal and interest) on term loans and failure to pay statutory liabilities.

RBI has permitted exporters to receive long-term export advance to execute long-term supply contracts for export of goods. They are also allowed to use such export advances to liquidate rupee loans which are not classified as non-performing assets.

India to work towards achieving high growth rates to help the South Asia region

The Pakistan High Commissioner, Shri Abdul Basit has said that India must work to achieve higher growth rates to help the entire South Asia region.

He emphasized that the promotion of regional integration in SAARC was imperative for countries in the bloc to become part of the global value chain, even though politics often overpower economic objective.

India and Pakistan have officially restarted talks in March after a gap of seven months. This has raised hopes of normalisation of trade ties between the two nations, which includes pending demand of non-discriminatory market access to India. The 19th SAARC Summit will be held in Pakistan next year,

India's exports to SAARC registered a 14.71% growth in 2013-14 to stand at US$ 17.3 billion. While South Asia accounts for 5.5% of India's total exports, imports from the region has miniscule share of 0.55% Coming from SAARC region itself, we hope that SAARC also in the months and years ahead will achieve its targets, he added.

India is expected to grow by 7.4% in 2014-15 and cross 8% next fiscal.

The bilateral trade between India and Pakistan stood at US$ 2.7 bn in 2013-14.

Project development firm in CLMV in the anvil

The Commerce Secretary Shri Rajeev Kher has informed that the Government will set up a mechanism within the next three-four months to create a project development firm under the Exim Bank to kickstart investments in Cambodia, Laos, Myanmar and Vietnam (CLMV) region.

It is learnt that the government will initially put in US$ 100 million in the proposed company.

The Hon'ble Finance Minister, Shri Arun Jaitley in his budget speech had said the Act East policy of the government endeavours to cultivate extensive economic and strategic relations in South-East Asia and in order to catalyze investments from the Indian private sector in this region, a project development firm will, through separate special purpose vehicles (SPVs), be set up manufacturing hubs in CLMV countries.

The project development facility will invest in one of the CLMV countries through an SPV jointly developed by the Exim Bank with a private sector company. The SPV, for example, will acquire a special economic zone (SEZ) or industrial park, develop it and then start allocating it to business entities in India against payment. It is essentially a trade facilitating measure..

India's exports to CLMV countries grew 38% to US$ 6.4 billion in 2013-14, while its imports increased 4.2% to US$ 4 billion during the same year.

The CLMV countries cover 32% of geographical area of the ASEAN (Association of Southeast Asian Nations) region, and account for around 9% of ASEAN's gross domestic product. These countries have been undergoing a transition from central planning to market economies. CLMV nations, considered among the fastest growing economies in the region, are primarily agrarian, and have enjoyed a certain degree of macroeconomic stability in recent years.

These economies are endowed with abundant natural resources and cheap labour. However, they are plagued by underdeveloped infrastructure and logistics. Except Vietnam, the nations fall under the category of least developed countries.

It is expected that the initial investment by the government in the proposed mechanism will encourage as the private sector as it is not confident about the stability or certainty of that market.

Shri Kher said if India develops an SEZ in Vietnam, exports yarn to that country, gets apparel made there, then it can access the US market through the proposed Trans-Pacific Partnership (TPP) route and take duty benefits that will accrue to Vietnam under the trade pact, thus developing a full value chain. Vietnam is part of the ongoing negotiations for the US-led mega regional trade pact.

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(Excerpts taken from various Financial & textile newspapers)

SRTEPC/FE01/Vietnam/15-16

M/s SAIGON KYMDAN RUBBER STOCK COMPANY (KYMDAN)
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Ho Chi Minh City,
Vietnam
Tel. : +84-8-38619999
Fax : +84-8-38657419
E-mail : contact_us@kymdan.com
Web : www.kymdan.com
Contact : Mr. Nguyen Quoc Ngoc Hieu, Marketing Division
E-mail : hieu.nqn@kymdan.com

Product Interest :

Best quality & big quantity of :

- Bed Sheet (fitted sheet, pillow case, bolster case, inner duvet, outer duvet)
- Mattress protector
- Hotel's high standard towers, linen.

SRTEPC/FE02/US/15-16

M/s. REFORMATION
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Los Angeles,
CA 90023
USA.
Tel. : 001-323-852-0005
E-mail : lizzie@thereformation.com
Contact : Ms. Lizzie Harper, Fabric R&D

Product interest :

Ladies Dresses, skirts and tops :

Specification :

High-twist crepe (110 gsm, 39" cuttable or wider)
Viscose georgette (89 gsm, 41" cuttable or wider)
Viscose crepe-back satin (180-240 gsm)

TEXTILES SECTOR SHOWS GROWTH SPURT IN THE INDEX OF INDUSTRIAL PRODUCTION (IIP) (FEBRUARY 2015)

- Industrial production grew at nine-month high of 5% in February on improved mining and manufacturing activity coupled with larger off take of capital goods.
- In the April-February period of 2014-15, IIP grew 2.8% as against contraction of 0.1% in same period of previous year.
- The IIP registered a growthof 2.6% in January, 2015 over the index of January, 2014. The Textile and Manufacturing grew at 2% and 3.3% respectively.
- The Index of Industrial Production for Textiles and apparels sectors for the month of February 2015 stands at 153.3 and 178.4 respectively, with corresponding growth rates of 5.1% and 62% as compared to February 2014.
- The cumulative growth in the Textiles and apparel sectors during April-Feb 2014-15 over the corresponding period of 2013-14 has been grown by 2.4% and 4.9% respectively.
- Manufacturing output, which constitutes over 75% to the index, grew by 5.2% in February 2015 compared to a contraction of 3.9% in the same month a year ago. For April-February period, the sector saw an output growth of 2.2%, compared to a contraction of 0.7% in the year-ago period.
- In terms of the sectoral classification, growth of manufacturing output improved to 3.3% in January 2015 from a marginal 0.3% in January 2014.
- Manufacturing output has recorded a rise of 1.7% in April-January 2014-15, as compared to a contraction of 0.3% in the same months of 2013-14.

The Statement below gives the Quick Estimates of growth rate of the Index of Industrial Production at 2 digit level of National Industrial Classification (NIC-2004) for the month till February 2014, along with the cumulative growth rates over corresponding month of previous year:

Industry code	Description	Percentage of growth			
		Jan-2015	Feb-2015	Apr-Jan 2014-15	Apr-Feb 2014-15
17	Textiles	2.0	5.1	2.1	2.4
18	Wearing apparel	1.3	62.0	0.7	4.9
15-36	Manufacturing	3.3	5.2	1.7	2.2
	General	2.6	5.0	2.5	2.8

Source: MOSPI

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ATTENTION : MEMBERS

Renewal of Membership 2015-2016

Kindly refer to the Council's letter No. Secy/Mem/634 dated 24th March, 2015 and the Subscription Memo sent along with the Circular in this regard to all members regarding renewal of your Membership of the Council for the year **2015-2016.**

As you have already been informed non-payment of Membership will lead to the discontinuation of Membership as well as Cancellation of the Registration-cum-Membership Certificate (RCMC) issued to you.

In view of the above, members who have not yet sent the renewal fee are requested to send the Membership Subscription Fee for the year 2015-16 at the earliest.

The annual membership fee is as follows :

For SSI units : ₹ 5394 (including service tax of 12.36%)

For others : ₹ 8764 (including service tax of 12.36%)

HIGHLIGHTS OF THE NEW FOREIGN TRADE POLICY 2015-20

(Continued from Page 1)

Status Holders

Change in criteria for export performance for recognition of status holder from Rupees to US dollar earnings as under:-

Status category	Export Performance FOB / FOR (as converted) Value (in US $ million) during current and previous two years
One Star Export House	3
Two Star Export House	25
Three Star Export House	100
Four Star Export House	500
Five Star Export House	2000

Please note the criterion

- o Threshold to be achieved as Aggregate exports in current + previous 2 financial years.
- o For granting status, export performance is necessary in at least two out of three years
- o For deemed exports, FOB value of exports in Indian rupees shall be converted into US$ at the exchange rate notified by the CBEC, as applicable on 1st April of each financial year.

(d) **Approved Exporter Scheme - Self certification by Status Holders**

Manufacturers who are also Status Holders will be enabled to self-certify their manufactured goods as originating from India with a view to qualify for preferential treatment under different Preferential Trading Agreements [PTAs], Free Trade Agreements [FTAs], Comprehensive Economic Cooperation Agreements [CECAs] and Comprehensive Economic Partnerships Agreements [CEPAs] which are in operation. They shall be permitted to self-certify the goods as manufactured as per their Industrial Entrepreneur Memorandum (IEM) / Industrial Licence (IL) / Letter of Intent (LOI).

TRADE FACILITATION & EASE OF DOING BUSINESS

- 24 x 7 Online filing of documents / applications and Paperless trade
- Online inter-ministerial consultations:
- Simplification of procedures/processes, digitisation and e-governance
- Forthcoming e-Governance Initiatives

New initiatives for EOUs, EHTPs and STPs

(a) EOUs, EHTPs, STPs allowed to share infrastructural facilities among themselves which will enable units to utilize their infrastructural facilities in an optimum way and avoid duplication of efforts and cost to create separate infrastructural facilities in different units.

(b) Inter unit transfer of goods and services have been allowed among EOUs, EHTPs, STPs, and BTPs to facilitate group of those units which source inputs centrally in order to obtain bulk discount. This will reduce cost of transportation, other logistic costs and result in maintaining effective supply chain.

(c) EOUs have been allowed facility to set up Warehouses near the port of export to help in reducing lead time for delivery of goods and will also address the issue of un-predictability of supply orders.

(d) STP units, EHTP units, software EOUs have been allowed the facility to use all duty free equipment/ goods for training purposes. This will help these units in developing skills of their employees.

(e) 100% EOU units have been allowed facility of supply of spares/ components up to 2% of the value of the manufactured articles to a buyer in domestic market for the purpose of after sale services.

(f) At present, in a period of 5 years EOU units have to achieve Positive Net Foreign Exchange Earning (NFE) cumulatively. Because of adverse market condition or any ground of genuine hardship, then such period of 5 years for NFE completion can be extended by one year.

(g) Time period for validity of Letter of Permission (LOP) for EOUs/EHTP/STPI/BTP Units has been revised for faster implementation and monitoring of projects. Now, LOP will have an initial validity of 2 years to enable the unit to construct the plant and install the machinery. Further extension can be granted by the Development Commissioner up to one year. Extension beyond 3 years of the validity of LOP, can be granted, in case unit has completed 2/3rd of activities, including the construction activities.

(h) At present, EOUs/EHTP/STPI units are permitted to transfer capital goods to other EOUs, EHTPs, STPs, SEZ units. Now a facility has been provided that if such transferred capital goods are rejected by the recipient, then the same can be returned to the supplying unit, without payment of duty.

(i) A simplified procedure will be provided to fast track the de-bonding / exit of the STP / EHTP units. This will save time for these units and help in reduction of transaction cost.

(j) EOUs having physical export turnover of ₹ 10 crore and above, have been allowed the facility of fast track clearances of import and domestic procurement. They will be allowed fast tract clearances of goods, for export production, on the basis of pre-authenticated procurement certificate, issued by customs / central excise authorities. They will not have to seek procurement permission for every import consignment.

DOUBLE WEIGHTAGE

- o Double weightage for MSME, manufacturing units having ISO/BIS, units located in North Eastern States including Sikkim and Jammu & Kashmir, units located in Agri Export Zone (AEZs). A shipment can get double weightage only once in any one of the above category
- o Double weightage shall be available for grant of One Star House Status category only.
- o Double weightage withdrawn for Focus Areas, units having WHO-GMP; HACCP, SEICMM Level II above, Services Exports.

RULES OF ORIGIN

- Manufacturer Status holders eligible for self-certification for Non-Preferential ROO
- Approved Exporter Scheme for Self Certification for Preferential ROO.
- Approved Exporter Scheme to be effective when incorporated into specific agreement with partner country (ies)

Duty Exemption

(a) Imports against Advance Authorization shall also be eligible for exemption from Transitional Product Specific Safeguard Duty.

(b) In order to encourage manufacturing of capital goods in India, import under EPCG Authorisation Scheme shall not be eligible for exemption from payment of anti-dumping duty, safeguard duty and transitional product specific safeguard duty.

(c) Supplies against Para 7.02 (c)(d) and (g) not exempted from Anti-dumping duty and Safeguard Duty and Transition Product Specific Safeguard Duty.

(d) Advance Authorization for annual requirement only for notified in SION.

(e) No Advance Authorisation for annual requirement if any inputs fall in App-4J.

(f) Eligibility for Authorisation on self declared norms reduced from 500% to 300% for Status Holders.

(g) Non Status Holder to be eligible for 300% or ₹ 10 cr. Whichever more.

(h) A detailed list of items (including vegetables/ edible oils, Cereals, Spices, etc.) issued which are ineligible for importation on self declaration basis.

(i) Representation against the decision of norms Committee to be made within 90 days of hosting. Composition fee of ₹ 5000 for delayed representation.

(j) Export Obligation (EO) extension request with a self declaration that unutilized inputs are available.

Duty Free Import Authorisation Scheme (DFIA)

- o Separate DFIA for each SION and each port.
- o DFIA imports only exempted from BCD. ACD for non-excisable goods.
- o Online application to Regional Authority before starting export under DFIA
- o Exports to be completed within 12 months from the date of online filing.
- o Applicant to indicate file number on the export documents viz. Shipping Bill/Airway Bill/Bill of Export/ARE-1/ARE-3, Central Excise certified invoice.
- o Request for issuance of transferable Duty Free Import Authorisation within a period of twelve months from the date of export or six months (or additional time allowed by RBI for realization) from the date of realization whichever later.
- o No transitional arrangement for DFIA

Export Promotion Capital Goods Scheme

For indigenous sourcing of Capital Goods, the specific Export Obligation reduced by 25% of the Export Obligation stipulated.

Provision related to EPCG Authorisation on Annual Requirement and Technological Upgradation of existing EPCG Machinery has been omitted.

The limit on value of spares imported has now been relaxed.

Export Obligation to be fulfilled through goods manufactured from EPCG machine.

Conversation from Export Oriented Unit to Export Promotion Capital Goods

In case where standalone EOU/SEZ unit converts :

Maintenance of average EO not required.

EO would be 6 times of the proportionate duty saved amount of the depreciated value of Capital Goods.

In case one unit of the firm/company opts to de-bond from EOU to EPCG Scheme, while other units are DTA units :

Average Export Obligation would be fixed by excluding the exports made by the de-bonding unit from the total exports of the firm/company.

Export Obligation would be 6 times of the proportionate duty saved amount of the depreciated value of Capital Goods of the de-bonding unit.

Central Excise (CE) certificate also accepted for installation certificate for excisable unit also.

Clubbing of authorization restricted only in cases where endorsed products on the authorization are same/similar.

Authorisation holder given option of suo moto payment of duty and interest.

Period for maintenance of records after redemption of authorisations has been reduced for 2 days.

Additional Ports allowed for Export and import

Calicut Airport, Kerala and Arakonam ICD, Tamil Nadu have been notified as registered ports for import and export.

Duty Free Tariff Preference (DFTP) Scheme

India has already extended duty free tariff preference to 33 Least Developed Countries (LDCs) across the globe. This is being notified under FTP.

Miscellaneous Provisions

- Application fee through National Electronic Fund Transfer (NEFT)/Credit/Debit Cards or TR6 : Facility of DD/Pay order withdrawn.
- One application for one EDI ports : clubbing of applications for multiple EDI Ports withdrawn.
- For any benefit to a supporting manufacturer, the names of both supporting manufacturer and merchant exporter to figure in the concerned export documents, especially in ARE-1/ARE-3/ Shipping Bill/Bill of Export/Airway Bill

Quality complaints and Trade Disputes

(a) In an endeavour to resolve quality complaints and trade disputes, between exporters and importers, a new chapter, namely, Chapter on Quality Complaints and Trade Disputes has been incorporated in the Foreign Trade Policy.

(b) For resolving such disputes at a faster pace, a Committee on Quality Complaints and Trade Disputes (CQCTD) is being constituted in 22 offices and would have members from EPCs/FIEOs/APEDA/EICs.

New Facilities

- Two star and above Export Houses shall be permitted to establish Export Warehouses.
- Three star and above Export House shall be entitled to get benefit of Accredited Clients Programme (ACP) as per the guidelines of CBEC (website:http:// cbec.gov.in). ACP covers all Status Holders.
- Manufacturers status holders (Three Star/Four Star/Five Star) to self-certify their manufactured goods as originating from India for preferential treatment under various trading agreements (PTA). Gradually to be extended to all Status Holders.
- Manufacturer Status Holders to be eligible to self-certify their goods as originating from India as per Para 2.108 (d) of Hand Book of Procedures.
- Status holders to be entitled to export freely exportable items on free of cost basis for export promotion subject to an annual limit of ₹ 10 lakh or 2% of average annual export realization during preceding three licencing years whichever is higher.

Vishakhapatnam and Bhimavaram added as Towns of Export Excellence

Government has already recognized 33 towns as export excellence towns. It has been decided to add Vishakhapatnam and Bhimavaram in Andhra Pradesh as towns of export excellence (Product Category–Seafood)

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PAKISTAN'S TEXTILE POLICY 2014-19 AIMS AT DOUBLING TEXTILE EXPORTS

The new Textile Policy was recently announced by Pakistan's Minister for Textile Industry, Mr. Abbas Khan Afridi. The Policy envisages enhancement of export performance of the textile industry to double the exports in the next five years. This is expected to be achieved through a set of immediate support measures and medium & long term initiatives aimed at infrastructure and skill developments.

The vision of the Textile Policy 2014-19 is to make Pakistan a leading country in the field of export of value added textile products. The objective is to develop and implement a policy which ensures consistency, predictability and transparency in Government actions and programmes, while building a reputation of being a reliable source of high quality textile goods.

Some of the highlights of the Textile Policy 2014-19 are as follows :

- To double textiles exports from US$ 13 billion per annum to US$ 26 billion per annum in next five years.
- To facilitate additional investment of US$ 5 billion in machinery and technology.
- To improve fibres mix in favour of non-cotton i.e. 14% to 30%.
- To strengthen existing textile firms and establish new ones.
- Schemes and initiatives will be launched for increasing usage of ICT.
- The textiles sector will be made domestically and internationally complaint especially with respect to labour and environment rules and conventions.
- Textile units will be encouraged to use modern management practices for improving efficiency and reducing wastages.

Policy Interventions

Tariff rationalization:

Tariff structure for the entire supply chain will be reviewed in line with effective protection rates.

High tariffs provide excessive protection and increased margin for domestic sales.

Tariff rates need to be rationalized while providing adequate protection to increase the competitiveness of the domestic industry while ensuring increased exports and reducing smuggling of finished products such as man-made finished fabrics and garments.

In order to encourage use of man-made fibres, Deemed Imports Basis scheme would be introduced so that the domestic PSF industry is also protected.

An authentic and accredited testing system will be established to determine the man-made fibre content in the exporting products.

The drawback rates ofr various man-made based exporting products will be determined by the Input Output Coefficient Organisation (IOCO). Criteria will be developed with the consultation of stakeholders and disbursements would be made by the State Bank of Pakistan. Drawback on deemed import basis will only be available to the MMF based garment products initially.

Work is in progress with the Federal Board of Revenue (FBR) to simplify Temporary Import Schemes such as Duty & Tax Remission for Export (DTRE) in consultation with stakeholders to facilitate the value added sectors. A GSP+ Committee has been constituted to study the exports trends for which FBR is providing data from Pakistan Revenue Automation Limited (PRAL).

Measures will be taken to curb smuggling and protect the domestic manufacturing sector.

Product Diversification

Pakistan exports limited range of garments and made ups and efforts would be made to wide the production base to include value added products for which collaborations with foreign experts, donor agencies and international universities would be sough that the existing bases at National Textile University, Faisalabad and Textile Institute of Pakistan, Karachi would be strengthened.

Technology Up-gradation Fund Support Scheme

Technology Up-gradation Fund including for SMEs will be extended. The Scheme aims at improving overall technological configuration of the sector, remove critical imbalances in the value chain and achieve compliance with international standards.

SME Development

One of the weakest links in textiles value chain is unorganized power loom sector. Similarly other SMEs sub sectors also have unorganized structures. The Ministry of Textiles Industry would adopt three pronged strategy to address this issue :

- Mapping; surveys and diagnostic studies of existing clusters.
- Launching of business portal to facilitate sales and business partnerships on the internet.
- **Identifying top fifty SMEs each year in exports and facilitating them for organizational, restructuring, business development, export marketing, IT usage and infrastructure, etc. for their growth in exports and to become listed companies.**

A state-of-the-art Product Development Centre along with machinery, equipment and training facilities for vulnerable sub-sectors will be established.

A comprehensive plan would be launched in consultations with trade associations and Board of Investment (BOI) to facilitate buyers' presence through joint ventures and relocation of foreign manufacturing units in Pakistan.

Promotion of the MMF textile industry is the key objective of the Policy. Cotton has been dominating the share in the fibre usage in Pakistan's textile industry. Polyester is the only other fibre which has a substantial share in the country's textile industry. The use of MMF fibre is relative low as compared to regional competitors and international market trend and therefore needs significant increase.

Technical textiles is an emerging area of high addition and through concerted effort the country aims at gaining a significant share in the world market. However, there is a need to invest in R & D in this area. Government plans to develop a proper strategy for the promotion of technical textiles in the country. An exclusive centre of excellence to impart training, develop skills and provide relevant information about world trends in such fields like geotech, meditech and sport-tech will be established.

The Textile Ministry will introduce new legislation to override multiple laws.

The Federal Textiles Board has been restructured and notified to facilitate the textiles sector stakeholders. The platform will be used to monitor the implementation of the Textiles Policy 2014-19.

Strategic Master Plans will be developed particularly for export promotion, SME development, technical textiles and sub-sectors.

The Policy initiatives will strive to compliment, strengthen and support relevant initiatives taken by other Federal Ministries, Provincial Governments or donors and will avoid any duplication.

(EU GSP Plus Status to Pakistan

European Union has offered GSP Plus status to Pakistan whereby exports of Pakistani textile products have been entering in the EU markets duty free. As compared to Pakistani textiles, Indian textile products are subject to duty up to 12% in the EU. This preferential treatment given by the EU to Pakistan has made Indian textiles uncompetitive.)

Source: www.**textile**.gov.pk/gop

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DGFT

DGFT notifies Foreign Trade Policy, 2015-2020

Notification No.01/2015-2020 dated April 1, 2015

In exercise of powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992), as amended from to time, the Central Government hereby notifies the Foreign Trade Policy 2015-2020. This Foreign Trade Policy shall come into force w.e.f. 01.04.2015.

http://dgft.gov.in/Exim/2000/NOT/NOT15/not0115.pdf

FTP 2015-20 DGFT Notifies Handbook of Procedures and Appendices & Aayat Niryat Forms

Public Notice No. 01/2015-2020 dated 1st April, 2015

In exercise of powers conferred under paragraph 1.03 of the Foreign Trade Policy, 2015-2020, the Director General of Foreign Trade hereby notifies the Handbook of Procedures and the Appendices & Aayat Niryat Forms, as contained in Annexure to this public Notice. This shall come into force with effect from 1st April, 2015.

http://dgft.gov.in/Exim/2000/PN/PN15/pn0115.pdf

Merchandise Exports from India Scheme (MEIS) — Schedule of country groups, ITC (HS) code wise list of products with reward rates under Appendix 3B notified

PUBLIC NOTICE No. 2 /2015-20 dated April 1, 2015

In exercise of powers conferred under paragraph 2.04 of the Foreign Trade Policy 2015-2020, the Director General of Foreign Trade hereby notifies Appendix 3B.

2. Appendix 3B, placed as Annexure to this Public Notice contains the following 2 tables relating to Merchandise Exports from India Scheme (MEIS):

   I-Table 1-List of Country Groups

   II-Table 2-ITC (HS) code wise list of products with reward rates under MEIS .

3. This Public Notice will be effective on exports made with effect from April 1, 2015

http://dgft.gov.in/Exim/2000/PN/PN15/pn0215.pdf

CBEC – CUSTOMS

(Relevant extract of the Notification)

Seeks to amend Notification No. 69/2011-Customs dated 29th July 2011 so as to notify the next tranche of tariff concessions under the India-Japan Comprehensive Economic Partnership Agreement (CEPA), w.e.f. 01st April 2015.

Notification No. 13/2015 – Customs dated 30th March, 2015

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.69/2011-Customs, dated the 29th July, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 593 (E), dated the 29th July, 2011, namely :-

In the said notification, for the Table, the following Table shall be substituted, namely:-

“Table

S. No.	Chapter or Heading or Sub-heading or Tariff item	Description	Rate in percentage
(1)	(2)	(3)	(4)
372	5401 to 5402	All goods	5.5
373	5403	All goods	0.0
374	5404	All goods	5.5
375	5405	All goods	0.0
376	54060010	All goods	5.5
377	54060020 to 54082120	All goods	0.0
378	5501	All goods	5.5
379	5502	All goods	0.0
380	5503	All goods	5.5
381	5504 to 5507	All goods	0.0
382	550810	All goods	5.5
383	550820 to 551694	All goods	0.0
384	Chapter 56 to 63	All goods	0.0

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs13-2015.htm

Regarding implementation of EPCG Scheme under FTP 2015-2020

Notification No. 16/ 2015 – Customs dated 1st April, 2015.

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 exempts goods specified in the Table 1 annexed hereto, from,-

(i) the whole of the duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the said Customs Tariff Act), and

(ii) the whole of the additional duty leviable thereon under section 3 of the said Customs Tariff Act, when specifically claimed by the importer.

2. The exemption under this notification shall be subject to the following conditions, namely:-

(1) that the goods imported are covered by a valid authorisation issued under the Export Promotion Capital Goods (EPCG) Scheme in terms of Chapter 5 of the Foreign Trade Policy permitting import of goods at zero customs duty;

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs16-2015.htm

Regarding implementation of Post Export EPCG Scheme under FTP 2015-2020

Notification No.17/ 2015 – Customs dated 1st April, 2015.

G.S.R. 253 (E).- 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 exempts goods when imported into India against a Post Export EPCG duty credit scrip issued by the Regional Authority in accordance with paragraph 5.12 of the Foreign Trade Policy which provides for duty remission in proportion to export obligation fulfilled (hereinafter referred to as the said scrip) from,-

(a) the whole of the duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975); and

(b) the whole of the additional duty leviable thereon under section 3 of the said Customs Tariff Act.

2. The exemption under this notification shall be subject to the following conditions, namely:-

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs17-2015.htm

Regarding implementation of Advance Authorisation Scheme under FTP 2015-2020

Notification No. 18/ 2015 – Customs dated 1st April, 2015.

G.S.R. 254 (E).- 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 exempts materials imported into India against a valid Advance Authorisation issued by the Regional Authority in terms of paragraph 4.03 of the Foreign Trade Policy (hereinafter referred to as the said authorisation) from the whole of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and from the whole of the additional duty, safeguard duty, transitional product specific safeguard duty and anti-dumping duty leviable thereon, respectively, under sections 3, 8B, 8C and 9A of the said Customs Tariff Act, subject to the following conditions, namely :-

(i) that the said authorisation is produced before the proper officer of customs at the time of clearance for debit;

(ii) that the said authorisation bears,-

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs18-2015.htm

Regarding implementation of Duty Free Import Authorisation Scheme under FTP 2015-2020

Notification No.19/ 2015 – Customs dated 1st April, 2015.

G.S.R. 255 (E) - 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 exempts materials imported into India against a valid Duty Free Import Authorisation issued by the Regional Authority in terms of paragraphs 4.25 and 4.27 of the Foreign Trade Policy (hereinafter referred to as the said authorisation) from the whole of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), subject to the following conditions, namely :-

(i) that the said authorisation is produced before the proper officer of customs at the time of clearance for debit;

(ii) that Standard Input Output Norms (SION) number, description, quantity and Free on Board value of the resultant product exported and the shipping bill number(s) and date(s) are endorsed on the said authorisation:

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs19-2015.htm

Regarding implementation of Advance Authorisation Scheme for annual requirement under FTP 2015-2020

Notification No. 20/ 2015 – Customs dated 1st April, 2015.

G. S. R. 256 (E) - 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 exempts materials imported into India, against a valid Advance Authorisation for Annual Requirement (hereinafter referred to as the said Authorisation) with actual user condition issued by the Regional Authority in terms of Paragraph 4.06 of the Foreign Trade Policy from the whole of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as Customs

Tariff Act) and from the whole of the additional duty, safeguard duty, transitional product specific safeguard duty and anti-dumping duty leviable thereon, respectively, under sections 3, 8B, 8C and 9A of the said Customs Tariff Act, subject to the following conditions, namely:-

(i) that the said authorisation is produced before the proper officer of customs at the time of clearance for debit of the quantity and value of imports;

(ii) that the said authorisation is issued with respect to Standard Input Output Norms (SION) fixed and bears,-

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs20-2015.htm

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Regarding implementation of Advance Authorisation Scheme for deemed export under FTP 2015-2020

Notification No. 21/ 2015 – Customs dated 1st April, 2015.

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 exempts materials required for the manufacture of the final goods when imported into India, from whole of the duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as Customs Tariff Act) and from the whole of the additional duty, safeguard duty, transitional product specific safeguard duty and anti-dumping duty leviable thereon respectively under sections 3, 8B, 8C and 9A of the said Customs Tariff Act, except to the extent specified in para 2 to this notification, subject to the following conditions, namely:-

(i) that the importer has been granted Advance Authorisation for deemed export by the Regional Authority in terms of paragraph 4.05 (c) (iii) of the Foreign Trade Policy permitting import of the said materials (hereinafter referred to as the said authorisation);

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs21-2015.htm

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Amends Notification no. 104/2009-Customs dated 14.09.2009

Notification No. 23/ 2015 – Customs dated 1st April, 2015.

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 amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 104/2009-Customs, dated the 14th September, 2009 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 674 (E), dated the 14th September, 2009, namely:-

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs23-2015.htm

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Regarding implementation of Merchandise Export from India Scheme (MEIS) under FTP 2015-2020

Notification No. 24 / 2015 – Customs dated 8th April, 2015.

G.S.R. 269 (E).- 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 exempts goods when imported into India against a duty credit scrip issued by the Regional Authority under the Merchandise Exports from India Scheme in accordance with paragraph 3.04 read with paragraph 3.05 of the Foreign Trade Policy (hereinafter referred to as the said scrip) from,-

(a) the whole of the duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as said Customs Tariff Act); and

(b) the whole of the additional duty leviable thereon under section 3 of the said Customs Tariff Act.

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs24-2015.htm

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Online message exchange between Customs and other regulatory agencies - reg.

Circular No. 09/2015-Cus dated 31st March, 2015

Hon'ble Finance Minister in the Budget, 2014 made an announcement to implement '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. The required permission, if any, from other regulatory agencies (such as Animal Quarantine, Plant Quarantine, Drug Controller, Textile Committee etc.) would be obtained online without the importer/exporter having to separately approach these agencies. This would be possible through a common, seamlessly integrated IT systems utilized by all regulatory agencies and the importers/exporters. The Single Window would thus provide the importers/exporters a single point interface for Customs clearance of import and export goods thereby reducing interface with Governmental agencies, dwell time and cost of doing business.

http://www.cbec.gov.in/customs/cs-circulars/cs-circ15/circ-09-2015cs.htm

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Usage of Digital Signature Certificate in Remote EDI filing (RES) of Customs Documents - reg.

Circular No. 10/2015-Customs dated 31st March, 2015

The Government has prioritized trade facilitation and creating an environment for ease of doing business. In this direction several initiatives have been taken in the recent past to simplify Customs procedures and enhance the use of automation in business processes with resultant reduction in transaction costs and dwell time associated with the Customs clearance of imported and export goods. In continuation of this approach it has now been decided to allow the electronic submission of digitally signed Customs process documents viz. Bills of Entry, Shipping Bills, Import General Manifest (IGM), Export General Manifest (EGM) and Consol General Manifest (CGM).

http://www.cbec.gov.in/customs/cs-circulars/cs-circ15/circ-10-2015cs.htm

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Facility for suo moto payment of customs duty in case of bona fide default in export obligation under the Advance / EPCG authorisations – reg.

Circular No. 11/2015 – Customs dated 1st April, 2015

The Ministry has considered the issue of increased interest cost for authorization holders (AH) who come forward to the Regional Authority (RA) of DGFT for regularization of their cases of bona fide default in export obligation (EO) under the Advance Authorization or EPCG Schemes but have to wait for the detailed calculations in this regard before being able to deposit the duty involved. It was decided to provide for a procedure that would enable quicker payment thereby reducing the avoidable interest cost for such exporters.

2. After consulting the DGFT, and certain field formations, the Board prescribes the following facilitation procedure –

(a) This procedure may be adopted by an AH who has obtained acknowledgement from the concerned RA of its application for regularization of bona fide default in EO. The application must show, inter alia, the AH's own/self-calculation of the duty payable for the default in EO and interest thereon.

http://www.cbec.gov.in/customs/cs-circulars/cs-circ15/circ-11-2015cs.htm

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NOTICE

4% SAD refund claim – regarding

Circular No. 12/2015-Customs dated 9th April, 2015

I am directed to refer to the Board Circular No 6/2008-Customs dated 28.04.2008 which prescribes the manner of claim and sanction of 4% SAD refund in terms of notification No. 102/2007-Customs dated 14.09.2007. Further, in terms of Para 4.2 of Board Circular No 6/2008-Customs, dated 28.04.2008, it is provided that an importer can file only one refund claim in month in a Commissionerate. However, representations have been received in the Board that this stipulation is not feasible in the Commissionerate having Customs locations widely spread and in situations where imports are made by an importer from more than one Customs location in a Commissionerate. Accordingly, it is requested that the extant provisions be simplified.

http://www.cbec.gov.in/customs/cs-circulars/cs-circ15/circ-12-2015cs.htm

CBEC – CENTRAL EXCISE

Regarding implementation of Post Export EPCG Scheme under FTP 2015-2020

Notification No. 18/ 2015 – Central Excise dated 1st April, 2015.

G.S.R. 250 (E) – In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) and sub-section (3) of section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods specified in the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), when cleared against a Post Export EPCG duty credit scrip issued by the Regional Authority in accordance with paragraph 5.12 of the Foreign Trade Policy which provides for duty remission in proportion to export obligation fulfilled (hereinafter referred to as the said scrip) from,-

http://www.cbec.gov.in/excise/cx-act/notfns-2015/cx-tarr2015/ce18-2015.htm

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Amends Notification no. 33/2012-Central Excise dated 09.07.2012

Notification No. 19/ 2015 – Central Excise dated 1st April, 2015.

G.S.R. 251 (E) - In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) and sub-section (3) of section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 33/2012-Central Excise dated the 9th July, 2012 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 545 (E), dated the 9th July, 2012, namely:-

http://www.cbec.gov.in/excise/cx-act/notfns-2015/cx-tarr2015/ce19-2015.htm

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Regarding implementation of Merchandise Export from India Scheme (MEIS) under FTP 2015-2020

Notification No. 20 / 2015 – Central Excise dated 8th April, 2015.

G.S.R. 271 (E).– In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) and sub-section (3) of section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods specified in the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), when cleared against a duty credit scrip issued by the Regional Authority under the Merchandise Exports from India Scheme in accordance with paragraph 3.04 read with paragraph 3.05 of the Foreign Trade Policy (hereinafter referred to as the said scrip) from, -

http://www.cbec.gov.in/excise/cx-act/notfns-2015/cx-tarr2015/ce20-2015.htm

CBEC – SERVICE TAX

Regarding implementation of Merchandise Export from India Scheme (MEIS) under FTP 2015-2020

Notification No. 10/ 2015 – Service Tax dated 8th April, 2015.

In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994) (hereinafter referred to as the said Act), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts the taxable services provided or agreed to be provided against a scrip by a person located in the taxable territory from the whole of the service tax leviable thereon under section 66B of the said Act.

2. Application. – This notification shall be applicable to the Merchandise Exports from India Scheme duty credit scrip issued to an exporter by the Regional Authority in accordance with paragraph 3.04 read with paragraph 3.05 of the Foreign Trade Policy.

http://www.servicetax.gov.in/notifications/notfns-2015/st10-2015.htm

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Clarification on rate of service tax - regarding.

Circular No. 183 / 02 / 2015-ST dated 10th April, 2015.

Doubts have been expressed in various forums regarding the proposed increase in the rate of service tax from 12.36% (including education cesses) to 14% on the value of taxable service.

2. It may be noted that changes proposed in the Budget have/are coming into effect on various dates as already indicated in JS (TRU-II) D.O. letter dated 28th February, 2015. Certain amendments made in the Finance Act, 1994, including the change in service tax rate, will come into effect from a date to be notified by the Government after the enactment of the Finance Bill, 2015.

http://www.servicetax.gov.in/circular/st-circular15/st-circ-183-2015.htm

MUMBAI CUSTOMS

Simplification of Customs procedure for Shipping – reg.

Public Notice No. 20/2014-15 dated 01.04.2015

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 Indian ports international transhipment hubs.

The Committee was setup by Ministry of Shipping for simplification of Shipping Customs procedure. Board has examined the recommendations of committee in consultation with identified Chief Commissioners of Customs. The following decisions have been taken to streamline the extent procedures at various ports.

http://www.mumbaicustomszone1.gov.in/writereaddata/PublicNotice/1119_PUBLIC%20NOTICE%20NO.%2020-2014-15.pdf

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JNPT CUSTOMS

System Alert for monitoring realization of Exporter Proceeds in EDI-reg

Public Notice No. 29 /2015 dated :31.03.2015

1. Attention is invited of all the exporters, Custom Brokers and all members of Trade to P.N. 11/2009 dated 09.03.2009 issued from F. No. S/12-Gen-1450/03 and P.N. 44/14 dated 19/11/2014 issued from F. No. S/12-Gen-50/RBI/XOS/2013/DBK/BRC/ JNCH.
2. In continuation of above mentioned P.N. 44/2014, details for the period January, 2004 to April, 2014 are obtained from EDI/ JNCH of IECs who have not submitted evidence of realization of export proceeds of exported goods to Drawback Section(BRC), JNCH.

http://www.jawaharcustoms.gov.in/index.php/public-notices-for-2015/public-notice-no-29-2015

RESERVE BANK OF INDIA

Risk Management and Inter-bank Dealings: Revised Guidelines relating participation of Residents in the Exchange Traded Currency Derivatives (ETCD) market

RBI/2014-15/526 A.P.(DIR Series) Circular No. 90 dated March 31, 2015

Attention of Authorized Dealers Category – I (AD Category – I) banks is invited to the Foreign Exchange Management (Foreign Exchange Derivative Contracts) Regulations, 2000 dated May 3, 2000 (Notification No. FEMA. 25/RB-2000 dated May 3, 2000), as amended from time to time and A.P. (DIR Series) Circular No. 147 dated June 20, 2014 relating to participation of residents in the ETCD market.

Increase in position limits not requiring establishment of underlying exposure

2. Presently, domestic participants are allowed to take a long (bought) as well as short (sold) position upto USD 10 million per exchange. As a measure of further liberalisation, it has now been decided to increase the limit (long as well as short) in USD-INR pair upto USD 15 million per exchange. In addition, domestic participants shall be allowed to take long as well as short positions in EUR-INR, GBP-INR and JPY-INR pairs, all put together, upto USD 5 million equivalent per exchange. These limits shall be monitored by the exchanges and breaches, if any, may be reported. For the convenience of monitoring, exchanges may prescribe fixed limits for the contracts in currencies other than USD such that these limits are within the equivalent of USD 5 million.

   Rationalisation of documentation requirements for both Importers and Exporters

4. At present, in terms of paragraphs (2) (b) (iii) and (2) (b) (v) respectively, of the above circular, market participants have to produce a certificate from the statutory auditors as indicated therein. As a measure of liberalisation in the ETCD market, it has now been decided that, instead of the statutory auditor’s certificate, a signed undertaking to the same effect from the Chief Financial Officer (CFO) or the senior most functionary responsible for company's finance and accounts and the Company Secretary (CS) may be produced. In the absence of a CS, the Chief Executive Officer (CEO) or the Chief Operating Officer (COO) shall co-sign the undertaking along with the CFO.

http://rbi.org.in/scripts/NotificationUser.aspx?Id=9629&Mode=0

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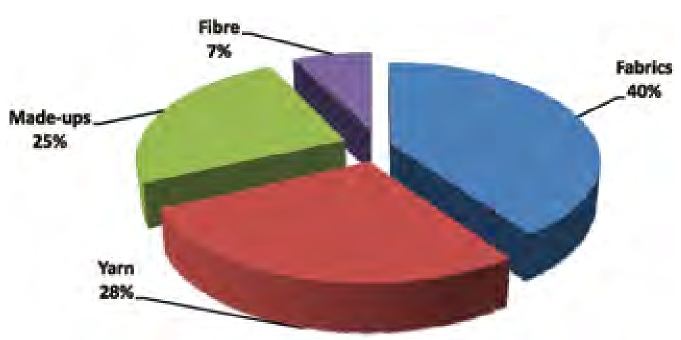
EXPORTS OF INDIAN MAN-MADE FIBRE TEXTILES DURING APRIL – FEBRUARY 2014-15

Exports of Indian MMF textiles during April-February 2014-15 were US$ 4681.02 Million against US$ 4419.01 Million during the same period of the previous year. (SOURCE: Port Data)

Value in US$ Mn

	April-Feb 2014-15	April-Feb 2013-14	Grw/decline (%)
Fabrics	1883.93	1751.75	7.55
Yarn	1300.40	1352.10	-3.82
Made-ups	1155.73	963.17	19.99
Fibre	340.97	351.98	-3.13
Total	**4681.02**	**4419.01**	**5.93**

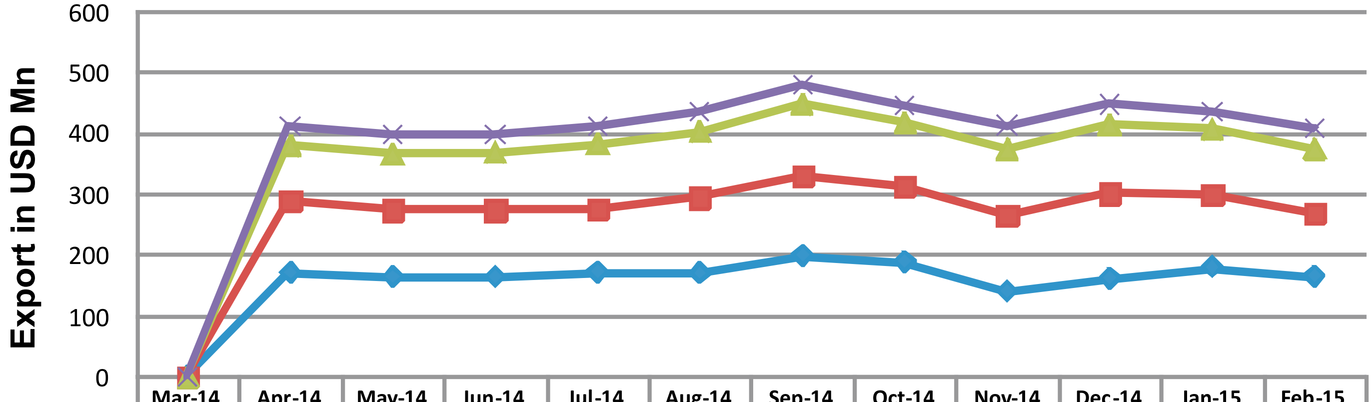
MMF PRODUCT SHARE



HIGHLIGHTS

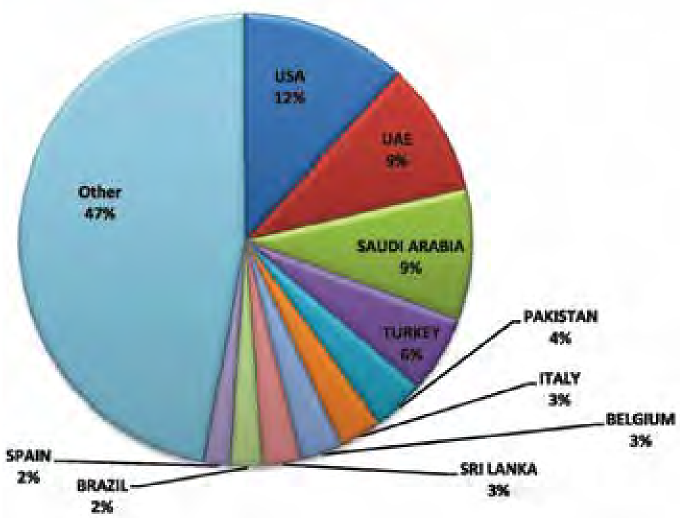
- Indian MMF textiles exports grew by 5.93% during April-February 2014-15 as compared to the same period of the previous year.
- Made-ups and Fabrics segments have witnessed encouraging growth during April-February 2014-15; Viz, Made-ups by 19.99% and Fabrics by 7.55% whereas export of Yarn and Fibre declined by 3.82% and 3.13% respectively.
- Exports of Fabrics dominated with 40% share followed by Yarn 28%, Made-ups 25% and Fibre 7% in the Indian MMF textile exports.
- The collective share of value-added products like fabrics and made-ups is increasing and accounted for 65% of the total Indian MMF exports during April-February 2014-15.
- Polyester Filament Fabrics (US$ 608.80 Mn) remained the topmost exported product in India's MMF textile exports followed by Synthetic Filament Fabrics (US$ 452.93 Mn) and Polyester Viscose Fabrics (USD 304.42 Mn) during the period.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth US$ 608.80 Mn followed by Polyester Cotton Yarn (US$ 452.93 Mn) and Polyester Viscose Yarn (US$ 304.42 Mn).
- In Made-ups, exports of Bulk Containers was the leading item with exports worth US$ 333.04 Mn followed by Shawls/Scarves and Muffler worth US$ 198.88 Mn and US$ 118.37 Mn respectively.
- Polyester Staple Fibre (US$ 160.10 Mn) was the leading item in the MMF category followed by Viscose Staple Fibre (US$ 122.45 Mn) and Acrylic Staple Fibre (US$ 35.65 Mn).
- Exports of Synthetic blended fabrics and Artificial filament fabrics, which accounted for share of nearly 1% each in the Indian MMF fabrics exports, have witnessed excellent growth of 69% and 62% respectively
- Synthetic Spun fabrics and Viscose Spun Fabrics which contributed only 0.44% and 0.70% of the MMF fabrics exports shows an impressive growth rate 87.78% and 86.92% respectively during the period.
- Polyester-Wool Yarn with a share of only 1.69% in the Indian MMF Yarn export, has grown by nearly 43.13% during the period.
- Exports of Sacks and Bags (1.36% share in made-ups) grew by 236.75%.

PRODUCTWISE GROWTH TRENDS DURING APRIL-FEB 2014-15



	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15
Fibre		30.73	31.01	28.04	30.41	33.18	30.00	27.53	37.74	32.00	27.49	32.83
Made-ups		91.03	91.87	95.05	105.66	108.52	119.44	105.85	109.53	113.87	108.26	106.71
Yarn		118.45	108.97	108.57	103.73	123.27	129.92	123.40	124.48	138.63	118.75	102.25
Fabrics		171.54	164.93	165.13	172.78	170.89	199.69	189.31	140.97	162.34	180.58	165.76

MMF EXPORT COUNTRY SHARE



HIGHLIGHTS

- USA continued to be the leading market for Indian MMF textiles with 12% share in total exports followed by UAE and Saudi Arabia 9% each and Turkey 6%.
- Neighbouring country Pakistan has emerged as the 5th largest market for India's MMF textile export with a share of 4% during April-February 2014-15.
- Egypt, which contributed a share of only 1.75%, has witnessed an excellent growth of 127.79% during this period.
- Other major markets during April-February 2014-15 were Italy (3%), Belgium (3%), Sri Lanka (3%), Brazil (2%), Spain (2%), etc.
- From in the Euro Zone, Italy has emerged as the leading market for our exports during April-February 2014-15 with exports US$ 143.52 Mn.
- USA was also the leading market for Indian MMF made-ups and Fabrics during the period.
- Egypt and Bangladesh, which have a market share of 1% each in the Indian MMF Fabrics export have increased by 246.71% and 84.53% respectively during April-February 2014-15.
- Iraq had a share of 0.20% in the Indian MMF Made-ups export but has grown by 152.71% during April-February 2014-15.
- Brazil emerged as the 3rd largest market for Indian MMF Yarn exports but has witnessed a decline of 35.55% during April-February 2014-15 as compared to the same period of last year.

PRODUCT-WISE EXPORT PERFORMANCE APRIL–FEBRUARY 2014-15

Value in USD Mn

Products	April-Feb 2014-15	April-Feb 2013-14	Net Change	% Change
FABRICS (Woven + non-woven + knitted)				
Polyester Filament	608.80	646.45	-37.65	-5.82
Synthetic Filament	452.93	390.92	62.01	15.86
Polyester Viscose	304.42	264.71	39.71	15.00
Polyester Blended	150.55	111.88	38.67	34.56
Synthetic Non Specified	98.71	95.90	2.81	2.93
Polyester Wool	44.03	38.23	5.80	15.17
Synthetic Cotton	43.66	38.74	4.92	12.70
Polyester Spun	34.76	44.95	-10.19	-22.67
Polyester Cotton	34.40	41.28	-6.88	-16.67
Nylon Filament	23.73	18.16	5.57	30.67
Synthetic Blended	23.34	13.84	9.50	68.64
Viscose Spun	13.29	7.11	6.18	86.92
Artificial Filament	12.87	7.94	4.93	62.09
Viscose Filament	9.69	6.11	3.58	58.59
Synthetic Spun	8.45	4.50	3.95	87.78
Other Fabrics	20.30	21.06	-0.76	-3.61
Total Fabrics	**1883.93**	**1751.78**	**132.15**	**7.54**
YARN				
Polyester Filament	618.52	709.74	-91.22	-12.85
Polyester Cotton	175.47	150.40	25.07	16.67
Polyester Viscose	133.51	127.67	5.84	4.57
Polyester Spun	87.49	94.67	-7.18	-7.58
Viscose Spun	64.82	63.40	1.42	2.24
Viscose Filament	50.69	48.64	2.05	4.21
Acrylic Spun	41.85	36.96	4.89	13.23
Synthetic Spun	34.33	32.19	2.14	6.65
Polyester Wool	22.07	15.42	6.65	43.13
Artificial Spun	19.92	18.77	1.15	6.13
Synthetic Non Specified	10.23	5.26	4.97	94.49
Nylon Filament	9.70	10.33	-0.63	-6.10
Acrylic Cotton	9.17	8.49	0.68	8.01
Viscose Cotton	6.23	9.65	-3.42	-35.44
Other Yarn	16.40	20.50	-4.10	-20.00
Total Yarn	**1300.40**	**1352.09**	**-51.69**	**-3.82**
MADE-UPS				
Bulk Containers *	333.04	245.21	87.83	35.82
Shawls/Scarves	198.88	104.96	93.92	89.48
Muffler	118.37	166.73	-48.36	-29.00
Motifs	65.71	59.36	6.35	10.70
Blanket	40.06	31.58	8.48	26.85
Fishing Net	36.69	25.90	10.79	41.66

Products	April-Feb 2014-15	April-Feb 2013-14	Net Change	% Change
Dress Material	32.37	30.94	1.43	4.62
Bed Linen	26.32	26.80	-0.48	-1.79
Bedsheet	23.44	27.72	-4.28	-15.44
Rope	19.83	18.52	1.31	7.07
Sacks and Bags	15.76	4.68	11.08	236.75
Braids	10.43	10.12	0.31	3.06
Life Jacket	10.01	8.85	1.16	13.11
Dish-cloths/Dusters	9.88	15.89	-6.01	-37.82
Furnishing Articles	6.91	9.39	-2.48	-26.41
Curtains	6.84	8.13	-1.29	-15.87
**Other made-up	201.19	168.41	32.78	19.46
Total Made-ups	**1155.73**	**963.19**	**192.54**	**19.99**
FIBRE				
Polyester Staple	160.10	213.06	-52.96	-24.86
Viscose Staple	122.45	92.94	29.51	31.75
Acrylic Staple	35.65	20.30	15.35	75.62
Synthetic Staple	5.59	11.34	-5.75	-50.71
Other Fibre	17.16	14.34	2.82	19.67
Total Fibre	**340.95**	**351.98**	**-11.03**	**-3.13**

* 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.

LEADING MARKETS

Value in USD Mn

Markets	Apr-Feb 2014-15	Apr-Feb 2013-14	Net Change	% Change
USA	555.34	473.15	82.19	17.37
UAE	443.02	386.47	56.55	14.63
SAUDI ARABIA	437.25	399.77	37.48	9.38
TURKEY	259.03	257.45	1.58	0.61
PAKISTAN	174.94	162.97	11.97	7.34
ITALY	143.52	157.58	-14.06	-8.92
BELGIUM	137.66	130.32	7.34	5.63
SRI LANKA	131.64	125.28	6.36	5.08
BRAZIL	106.80	157.58	-50.78	-32.22
SPAIN	88.95	84.17	4.78	5.68
NETHERLANDS	83.44	85.85	-2.41	-2.81
EGYPT	81.98	35.99	45.99	127.79
HONG KONG	80.48	78.05	2.43	3.11
BENIN	76.42	71.13	5.29	7.44
KOREA, DEM	73.98	70.19	3.79	5.40

Markets	Apr-Feb 2014-15	Apr-Feb 2013-14	Net Change	% Change
CROATIA	56.26	47.07	9.19	19.52
JAPAN	54.30	40.81	13.49	33.06
VIETNAM, DEM	52.60	58.42	-5.82	-9.96
FRANCE	51.81	43.34	8.47	19.54
BANGLADESH	51.18	35.04	16.14	46.06

MAJOR MARKETS FOR MMF FABRICS

Value in USD Mn

Markets	Apr-Feb 2014-15	Apr-Feb 2013-14	Net Change	% Change
USA	378.09	330.91	47.18	14.26
PAKISTAN	285.79	283.44	2.35	0.83
SAUDI ARABIA	117.51	92.38	25.13	27.20
SRI LANKA	107.01	96.2	10.81	11.24
UAE	75.91	81.83	-5.92	-7.23
HONG KONG	67.38	58.44	8.94	15.30
VIETNAM, DEM	65.26	67.72	-2.46	-3.63
KOREA, DEM	36.51	33.67	2.84	8.43
EGYPT	34.74	10.02	24.72	246.71
BANGLADESH	33.27	18.03	15.24	84.53
SPAIN	31.46	33.37	-1.91	-5.72
ITALY	30.61	36.25	-5.64	-15.56
SINGAPORE	25.61	40.41	-14.80	-36.62
KUWAIT	24.16	18.89	5.27	27.90
BELGIUM	23.88	21.46	2.42	11.28
IRAQ	22.13	21.21	0.92	4.34
CHINA	22.18	27.31	-5.13	-18.78
COTE D IVOIRE	19.31	28.75	-9.44	-32.83
SOUTH AFRICA	18.79	12.95	5.84	45.10
SENEGAL	17.82	13.19	4.63	35.10

MAJOR MARKETS FOR MMF YARN

Value in USD Mn

Markets	Apr-Feb 2014-15	Apr-Feb 2013-14	Net Change	% Change
TURKEY	237.29	232.91	4.38	1.88
USA	112.59	101.34	11.25	11.10
BRAZIL	95.92	148.84	-52.92	-35.55
BELGIUM	56.96	59.16	-2.20	-3.72
PAKISTAN	56.26	64.49	-8.23	-12.76
EGYPT	38.38	20.67	17.71	85.68
COSTA RICA	38.29	57.03	-18.74	-32.86

Markets	Apr-Feb 2014-15	Apr-Feb 2013-14	Net Change	% Change
PERU	36.71	30.82	5.89	19.11
UAE	31.20	27.52	3.68	13.37
GUADELOUPE	29.02	29.13	-0.11	-0.38
KOREA, DEM	28.74	26.97	1.77	6.56
MOLDOVA,REP	27.39	43.01	-15.62	-36.32
NETHERLANDS	26.61	29.74	-3.13	-10.52
KOREA,REP	26.02	5.60	20.42	364.64
ITALY	18.39	27.94	-9.55	-34.18
JAPAN	17.88	9.19	8.69	94.56
SRI LANKA	16.74	19.29	-2.55	-13.22
DJIBOUTI	16.05	15.82	0.23	1.45
SAUDI ARABIA	15.71	18.91	-3.20	-16.92
CANADA	15.11	15.34	-0.23	-1.50
CHINA	13.77	9.10	4.67	51.32

MAJOR MARKETS FOR MMF MADE-UPS

Value in USD Mn

Markets	Apr-Feb 2014-15	Apr-Feb 2013-14	Net Change	% Change
USA	176.81	146.15	30.66	20.98
SAUDI ARABIA	159.79	120.43	39.36	32.68
ITALY	71.56	62.43	9.13	14.62
UAE	66.91	52.44	14.47	27.59
BENIN	59.61	49.63	9.98	20.11
SPAIN	51.10	43.18	7.92	18.34
CROATIA	48.43	39.20	9.23	23.55
NETHERLANDS	34.78	30.12	4.66	15.47
BELGIUM	32.56	22.73	9.83	43.25
FRANCE	27.34	24.88	2.46	9.89
AUSTRALIA	21.14	14.87	6.27	42.17
GERMANY	19.16	15.71	3.45	21.96
UK	17.42	16.25	1.17	7.20
CANADA	16.00	12.69	3.31	26.08
ZAMBIA	12.61	9.31	3.30	35.45
HONG KONG	10.09	16.87	-6.78	-40.19
IRAQ	9.78	3.87	5.91	152.71
PAKISTAN	8.85	4.20	4.65	110.71
ECUADOR	8.50	7.30	1.20	16.44
BANGLADESH	8.54	9.03	-0.49	-5.43

COLOMBIA PROMISING MARKET FOR INDIAN MMF TEXTILES

(Continued from Page 2)

Textile scenario of Colombia

Colombia's Clothing and Textile Industry is one of the largest and most established in Latin America, especially with the application of modern technology in production process. Colombia is focusing on greater innovation and specialization - particularly through high quality needlework to improve efficiency and speed in production and product delivery processes and quality certifications like ISO, BASC, WRAP. These factors have made the Textile Industry in Colombia as one of the most promising sectors of the National Economy. Indian textile sector has to learn on this aspect by taking initiative to have JVs to transfer knowledge and new products, as product development has become important for gaining market access globally.

Colombia's Textile & Apparel Sector employed more than 6 lakhs people directly and indirectly, and accounted for 10.3% of manufacturing GDP and 1.6% of national GDP. However, Colombia is a net importer of textiles, as it does not produce significant textile materials domestically. During 2010, Colombia imported around US$ 1.6 billion of textiles from other countries like US, China, India, Mexico, South Korea, Israel, Brazil, Italy, Germany, Indonesia, etc., of which US$ 600 million was of man-made fibre textiles.

Colombia's Textile and Fashion Industry

Colombia is a very influential country in the Fashion Industry. Its Fashion Industry has flourished over the last ten years, and has been well- noticed due to the high quality of garments, low cost of production and the unique and exotic ideas from Fashion Designers. The artistic views from Colombian Designers have been displayed in various runways and magazines around the world – leaving a strong mark within the Fashion Industry.

Market Observations – Colombia

- ✓ Clothing & Textile Industry is one of the largest and most experienced in Latin American Region.
- ✓ There are almost 500 textile mills and 10,000 apparel producers, which generates over 80,000 direct and indirect jobs.
- ✓ Produces lot of apparels – in particular denim and knitwears.
- ✓ Clothing Industry produces more than 250 million pieces of apparels a year.
- ✓ Some of Colombia's largest textile and clothing companies include (for fabric producers) : Fabricato, Tejicondor; (for jean producers) : CI El Globo and CI Jeans; and (for knitwear manufacturers) : Crystal, Manufacturas Eliot, Modinco and Protela.
- ✓ One of the main Fashion Centers of Latin America, where the city of Medellin is Colombia's Clothing Center, which accounts for 70% of garment production and 38% of textile production.
- ✓ Some well-known Brands manufactured in Colombia are Abercrombie & Fitch, Calvin Klein, Dockers, Gap, Levi Strauss, Polo Ralph Lauren, Tommy Hilfiger, among others.
- ✓ The third largest producer of intimate apparels, and it manufactures the world's leading Brand names in sports-wear & jeans. Its production plants and wash processes include the highest quality equipments, and its garments are known across the globe.
- ✓ Export of Indian MMF Textiles to Colombia during 2012-13 was only US$ 50.30 million – accounting for 5% in total import of these textiles by Colombia.
- ✓ Total import of Man-made fibre textiles by Colombia in 2013 was US$ 937 million, of which US$ 438.19 million was for yarn; US$ 283.71 million was for fabrics; US$ 130.09 million was for made-ups, and US$ 85.17 million was for fibre.
- ✓ Product-share in the export basket of Indian MMF Textiles to Colombia include yarn 70%, fabrics 18%, fibre 10% and made-ups 2% (US$ 1.39 million).
- ✓ Main countries Colombia imported MMF Textiles are from Mexico, USA, China, Republic of Korea, Brazil, Japan etc.

- ✓ Colombia is the Center for Production, Distribution, and Exporting port for all the North, Central, and South American countries.
- ✓ Only South American country to have ports on both sides of the ocean (Atlantic and Pacific Ocean).
- ✓ Special agreements with the United States and other countries making it easier to trade with them.
- ✓ Colombia is relatively close to the United States (mainly Miami, Florida) and is the midpoint between North and South America. This allows lower costs and shorter time in transporting goods.
- ✓ Colombia's consistent sound economic policies and aggressive promotions of Free Trade Agreements in the recent years have bolstered its ability to face external shocks effectively.
- ✓ Consumers in Colombia have greater purchasing power due to the improving economy and improved financing options.
- ✓ Colombia has signed / is negotiating FTAs with a number of countries including Canada, Chile, Mexico, Switzerland, UAE, Venezuela, South Korea, Turkey, Japan, China, Coastal Rica, Panama, and Israel.
- ✓ In the recent years, Colombia has become one of the main destinations for India's exports in Latin America.
- ✓ EXIM Bank of India has signed an agreement with Bancoldex of Colombia for extending a US$ 10 Million Line of Credit for exports from India. However, the credit line of the Bank was never used due to high interest rates.
- ✓ Colombia – India Chamber of Commerce was formed in Bogota in September 2008 by Indian and Colombian Firms to take up the issues of Bilateral business interest with the support of the Indian Embassy. They took a Trade Delegation to India in November 2012.
- ✓ The range of manufacturing activities in the sector spans the entire supply chain, including cotton-growing, man-made fibre production, textile processing and the manufacture of finished apparel.
- ✓ The government of Colombia applies a 1.2% "special customs service tax" on all imports (with the exception of certain public sector imported items, imports from certain countries that extend reciprocal benefits, and Plan Valleju imports).
- ✓ Most imports by Colombia are subject to a 16% value added tax (VAT) accessed on the CIF value the shipment + import duties. Exceptions for textile and apparels are silkworm cocoons, raw silk, wool and animal-hair, raw cotton and cotton linters, raw and processed flax and ramle, vegetable fibres, jute etc.

Conclusion

The exclusive Indian Exhibition of textiles by SRTEPC has helped in renewing the existing contacts between the textile business fraternity of the two countries; and expanded the current scope for enhancing our trade with Colombia. The Exhibition has created conducive atmosphere for a new era of further co-operation between the traders and the industries of textiles in India and Colombia. Indian exports of synthetic and rayon textiles to Colombia, which amounts to ₹ 295 crores annually at present, may see a remarkable growth in the coming years, as result of this Exhibition. To sustain this, we need to support the momentum with export promotion policies extending rewards to further develop the LAC markets.

As a follow up action, a high level Trade Delegation from Colombia may be invited on the behest of the Ministry of Textiles, Government of India and the Council in co-ordination with the Indian Embassy and Colombia-India Chamber of Commerce in Bogota to visit India to enable the business leaders of both the countries to have close interactions to understand each other, and further expand trade between the two countries. The Council also plans to have a Reverse Buyer Seller Meet with the active participation of all the LACs to strengthen the MMF textile trade in the medium term with the LAC region.

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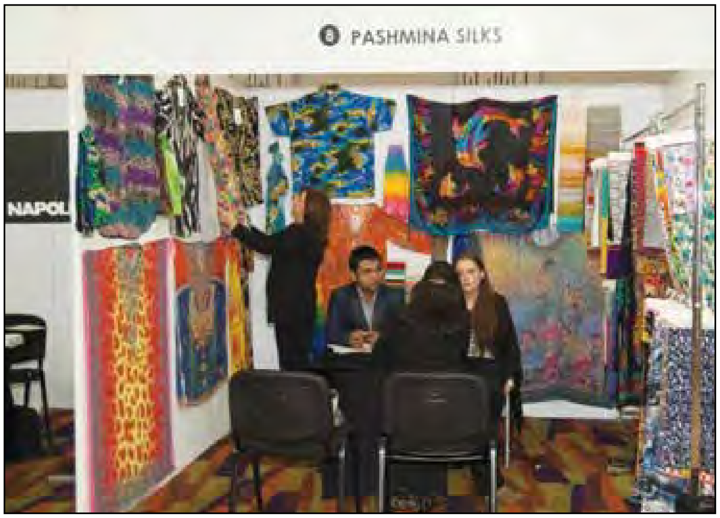
VIEW OF THE STALLS AT THE INTEXPO, COLOMBIA



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