INFO SRTEPC

Vol.No.7 • Issue No. 2 • May, 2018 • ₹ 50/- • MUMBAI

The Synthetic & Rayon Textiles Export Promotion Council

R.N.I. No. MAHENG / 2012 / 45923 / Published on 20th May '18 (Pages 44)

First of its kind "GST Camp" Launched by SRTEPC in Mumbai

GST - the single tax mechanism for the whole nation on the supply of goods and services, right from the manufacturer to the consumer

Shri Ronak Rughani, Vice Chairman, SRTEPC introducing Shri Arivazhagan, Joint Commissioner GST (Refunds) of Mumbai South to the members at the GST Camp held in the Council on 14th May 2018

was implemented from July 1, 2017 through the One Hundred and First Amendment of the Constitution of India. Till date almost 10 months have passed since implementation of this single tax system in the country but yet many of the exporters have not been able to receive even once their Input Tax Credit (ITC) Refund. Moreover, there are other issues, laws, procedures, etc. that have been frequently changing and are not clear to the business terms.

With this concern of the Member-exporters, this Council organized a purposive and on the spot responsive "GST Camp" for two days from 14th to 15th May, 2018 in its Head Office in Mumbai in association with Chartered Accountants firm M/s ZADN Associates who has been working on this subject and have expertise on the GST matter. This "GST Camp" was one of its kind and acted as a single window platform for providing entire GST related support to the Member-companies of this Council right from providing clarification on GST issues/latest updates to filling of returns to receive of the returns by the respective exporter/s.

Some of the on the spot services offered during the Camp were:

a. GST Registration & amendments
b. GST Monthly / quarterly returns
c. LUT (Letter of undertaking) application / renewal
d. Preparation and filing of prospective refunds
e. Review of past period from GST law perspective
f. Advise on routine business matters from GST law perspective
g. E-way bill related queries and assistance
h. Vendor / Customer reconciliation from GST perspective
i. Regular GST updates, etc.

The Council also provided online Registration option for companies who are not based in Mumbai to enroll in the "GST Camp". Around 25 persons attended the Camp on 14th May - first day and about ten persons enrolled online. The First Day of the GST

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Shri Arivazhagan, Joint Commissioner GST (Refunds) of Mumbai South addressing to the queries raised by members.

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Printed, published and edited by S. BALARAJU on behalf of THE SYNTHETIC & RAYON TEXTILES EXPORT PROMOTION COUNCIL, Printed at Kukreja Arts, Regd. office : A-202 Andheri Manish Garden, Plot 2/3/4, J.P. Road, 4 Bunglows, Andheri (W), Mumbai - 400 053 & Published from The Synthetic & Rayon Textiles Export Promotion Council, Resham Bhavan, 78 Veer Nariman Road, Churchgate, Mumbai - 400 020.

Editor: S. BALARAJU

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MESSAGE
FROM THE CHAIRMAN

Dear Member,

I am glad to inform that this Council is organizing 2nd Edition of "Source India – Reverse Buyer Seller Meet" at Surat International Exhibition & Convention Centre (SIECC) from 28th to 30th September 2018. "Source India 2016" was a pioneering effort of the Council which was appreciated by everyone including the Ministry of Textiles, Government of India. The success of the first show in 2016 then paved the way to "Textiles India 2017" which was organized by the Government of India in Gandhinagar, Gujarat last year. This year once again SRTEPC will be spearheading the Event in Surat and I am confident that improving upon your feedback received on "Source India 2016", this time we will be able to organize the event more successfully.

We will invite around 200 buyers from 40 countries of Asia, Africa, Middle East & Gulf, Latin America, CIS Countries, and Europe for the event. Besides directly inviting the overseas buyers of textiles/garments, producers/wholesalers/textile agents, etc, senior executives of foreign buying houses, retail chain stores who are based in India will also be invited. Total number of invited buyers to the Event will be around 500. Programmes such as Fashions Shows, Theme Pavilion, Seminars/Workshops etc. are also being planned on the sidelines of the event. I would like to take this opportunity to invite member-exporters to participate in large numbers in the forthcoming "Source India" in Surat.

The recent reports show that Indian's exports during April 2018 have gone up by 5.17% after being in the red in March. The sentiments have been echoed by the MMF textile exports. As per the latest data from the Ministry of Commerce for the April - February period in 2017-18, exports of MMF textiles amounted to US$ 5457.87 million registering a growth of 3.28% as compared to the same period last year. Other than fibre and fabrics which showed a slight decline; exports of yarn and made ups have shown a growth of 8.25% and 4.08% respectively. The USA continued to be the top market for Indian MMF textiles; Turkey ranked second followed by UAE which was in the third largest market. It is hoped that this trend will continue and the figures for the entire year 2017-18 will be further encouraging.

Friends, this Council has been consistently pursuing with the government for paying due importance and focus to the man-made fibre segment of the textile industry. All the issues being faced by the exporting community be it ITC refund or Merchant exporters' plight, have been taken up strongly by this Council with the Ministry of Textiles, Ministry of Commerce & Industry and Ministry of Finance as applicable. I am happy to inform that now the Government has duly acknowledged the vital role played by the MMF textile segment in the country and assured us of all the policy support towards this segment.

Recently, I met Shri Anant Kumar Singhji, Secretary (Textiles), Smt. Aditi Das Rout, Trade Advisor, Ministry of Textiles and Shri Manoj Dwivedi, Joint Secretary, Ministry of Commerce and Industry, Government of India and explained to them on the magnitude of working capital blockage because of anomaly in GST Policy and difficulties being faced by the exporters due to delay in receipt of the IGST and ITC refunds. The Secretary (Textiles) has assured me to take up the matter with Finance Secretary, Ministry of Finance. Written representations were handed over to all the senior government officials requesting them to resolve the GST related issues as soon as possible.

Since the introduction in July last year, Goods and Services Taxes (GST) has baffled the exporting community and as an Export Promotion Council it has been our utmost effort to educate and enlighten them about the intricacies of GST. Towards this endeavour I have also met Shri Yogendra Garg, Additional DG (GST), CBEC and discussed with him on IGST and ITC refunds including refund of IGST on Capital goods. Shri Garg has also assured us of positive response. Council has been holding regular Seminars/Workshops/Interactive Meetings and of late the Council held a GST Camp in its Head Office in Mumbai on 14th & 15th May in association with a Chartered Accountants Firm – M/s ZADN Associates. The Camp, flagged off by Shri Arivazhagan, Joint Commissioner-GST (Refunds) of Mumbai South on 14th May, was well attended by member-exporters of SRTEPC. Shri Ronak Rughani, Vice Chairman of the Council presided over the inaugural session and jointly with Shri Arivazhagan, Joint Commissioner-GST interacted with the member-exporters on queries raised by them during the Camp.

During the Camp, member-exporters discussed the problems faced by them such as IGST/ITC refunds that has blocked substantial amount of their working capital and has put the exporters into financial hardships thereby disrupting their efforts to step up exports, delay in refunds due to mismatch of data between the GST forms and shipping bills, wrong entry of figures in Table 3.1 (A) of GSTR 3B instead of entering it under Table 3.1 (B) of GSTR 3B and GSTN Validation was held due to the error occurred as the figure is wrongly entered in Table 3.1 (A) of GSTR 3B instead of Table 3.1 (B) of GSTR 3B due to which the integration of GSTR data with ICEGATE is not possible and hence refund cannot be processed manually. The Joint Commissioner assured the members present at the Camp that he would look into thematter and try to resolve them at the earliest. He also informed that GST Seva Kendras have been set up in various range and division, the taxpayer falling under the respective jurisdiction may contact the nearest GST Seva Kendra. He further stated that GST Seva Kendras can help with GST registration, GST migration, GST return filing, GST queries, etc. Taxpayers can now walk-in to the Seva Kendras without an appointment or fix an appointment before approaching for help. Exporters can choose the appropriate jurisdiction/location based on their pin code. The GST Range officer will examine the query and furnish the Certificate which can be submitted to the Customs for refund or other processes.

The Council is making all efforts to help exporters of MMF textiles in augmenting their exports as well as resolving policy issues. I therefore once again take this opportunity to urge members who are yet to renew their membership to do the same at the earliest so that we can continue to render our services to your esteemed organization.

Yours sincerely,

SRI NARAIN AGGARWAL

CHAIRMAN

The Synthetic & Rayon Textiles Export Promotion Council

Pakistan

Textile and apparel exports up 7.7% to US$ 9.99 billion in the first nine months of 2017-18

Exports of Pakistan's textile and clothing products recorded a 7.7 per cent growth year-on-year to US$9.99 billion in the first nine months (July – March) of 2017-18.

The revival in the exports of textile and clothing products is due to the cash subsidy offered under the Prime Minister's exports enhancement package with maximum refunds/rebate of exporters being cleared in FY18. However, there are still outstanding amount which was yet to be released.

The main driver of growth was the value-added textile sector as exports of ready-made garments went up 12.56 per cent during the period in value terms and 12.85 per cent in quantity terms while those of knitwear edged up 14.12 per cent in value terms and 3.52 per cent in quantity terms during July – March 2017-18. Exports of bedwear went up 4.99 per cent in value terms and 3.16 percent in quantity terms.

However, exports of towels posted a paltry growth of 1.18 per cent in value terms and 9.3 per cent in quantity terms. Exports of cotton cloth posted a growth of 1.05 per cent in value terms and 2.46 in quantity terms during the period under review.

Exports of made-up articles, excluding towels, increased 7 per cent while art, silk and synthetic textile exports grew 70.39 per cent during the period under review.

However, exports of tents, canvas and tarpaulin dipped over 38.39 per cent whereas proceeds from raw cotton recorded a surged by 35.76 per cent.

The total exports have posted a growth of 13.1 per cent to US$17.07bn in July-March 2018 from US$15.09bn over the corresponding period of the previous year.

Source :www.dawn.com

Japan

Clothing imports up 4%

Japan's imports of clothing and accessories increased by 4 per cent year-on-year to 3,097.905 billion yen (US$28.779 billion) in the Japanese fiscal 2017 ending March 31, 2018. Of this, 92.83 per cent or 2,875.979 billion yen (US$26.717 billion) worth of goods were imported from Asia.

Among the Asian countries, imports from China stood at 1,906.290 billion yen (US$17.709 billion), an increase of 1.3 per cent year-on-year, the data showed.

During April-March 2017-18, Japan imported apparel and accessories worth 162.640 billion yen (US$1.510 billion) from the EU, up 4.5 per cent year-on-year. The Far Eastern country also imported 13.349 billion yen (US$124.01 million) worth of clothing and accessories from the US, down 2.9 per cent.

Meanwhile, the value of Japan's import of textile yarn and fabrics increased 6.1 per cent year-on-year to 925.684 billion yen (US$8.599 billion) during the period under review. A bulk of these imports valued at 820.624 billion yen (US$7.623 billion) were supplied by the countries in the Asian region, with China alone accounting for 511.333 billion yen (US$4.750 billion), while imports from ASEAN nations stood at 192.582 billion yen (US$1.789 billion).

Japan imported yarn and fabric worth 64.557 billion yen (US$599.73 million) from the EU countries, whereas its imports from the US were valued at 24.281 billion yen (US$225.57 million), during the year.

Source : Fibre2fashion

Global

Home textile market to surpass US$ 185000 million by 2027

The global market for home décor textiles is expected to record an impressive growth between 2018 and 2027. Growing consumer confidence, capacity expansions, social responsibility and sustainability trends, and a booming e-commerce sector will take revenues from worldwide sales of these textiles to over US$ 185,000 million by 2027.

Asia-Pacific excluding Japan (APEJ) will continue to dominate the global textiles home décor market. Countries in that category like China and India, have remained leading global exporters of home textiles.

Manufacturers and exporters of home textiles in India have recorded higher profit margins. The Chinese home textile industry is currently focusing more on garments business. Considering US home textile imports, China will continue to be dominant, with relatively larger number of shipments compared to other APEJ countries.

Bed linen is expected to be the most remunerative product in this market, with an estimated revenue share of over 33 per cent during 2018-2027. Demand for bed linen is likely to grow at a brisk pace, with a steady stream of opportunities expected to emerge in both developed and developing markets.

Sensing the lucrativeness of this segment, manufacturers are focusing on consolidating their position.

Prominent manufacturers are also focusing on increasing capacity and setting up new plants. Welspun India opened a new plant in Anjar, Gujarat, recently and forayed into the flooring solutions segment.

Bombay Dyeing is focusing on a massive revamp of its home textile business by investing over US$ 15 million.

However, a key challenge for stakeholders in this segment is the highly fragmented presence of unorganized players.

Indoor applications of home décor textiles are expected to account for bulk revenue share of the market. However, revenues from outdoor applications of home décor textiles will increase at a relatively higher compound annual growth rate till 2027.

Source : Fibre2fashion

China

China's Textile and apparel industry troubled

China's textile and apparel makers are going through a painful industrial restructuring. While the country is still the world's largest clothing exporter with enormous production capacity; oversupply at home, high labour costs, and rising global protectionism have all eroded Chinese competitiveness.

China's market share by value in the global textile and clothing industry fell from 38.6 per cent in 2015 to 35.8 per cent in 2016, with a downward trend in major apparel importing regions such as the US, European Union and Japan.

According to the World Trade Organisation, exports of Chinese textiles and clothing have declined sharply since 2016 from about US$236 billion in 2014 to US$206 billion in 2016.

Chinese customs data showed exports of clothes and accessories fell by 0.4 per cent last year from 2016, while textiles exports saw annual growth of 4.5 per cent last year.

Meanwhile, labour costs in China have been rising steadily. The minimum wage in the southern boomtown of Shenzhen is now about US$336 per month – more than double the rate in some Southeast Asian countries.

Hit by the industry restructuring, some of the big clothing brands have struggled to make profit and secure finance. Revenues have been sliding at Fuguiniao, a Hong Kong-listed menswear and shoe manufacturer based in Fujian province, since 2015. The company had a net loss of 10 million yuan (US$1.57 million) in the first half of last year, a bond default this year, and it has racked up debts of at least 3 billion yuan.

Although analysts say Chinese textile and clothing makers are at low risk from the looming trade war between China and the US, given that they export so little to America compared to other sectors, US brands are starting to diversify their sourcing.

A survey of 34 executives from leading US fashion companies last year found that, for the first time, fewer US brands were looking to China for products, even though the country remains the top sourcing destination for the industry worldwide.

For many US brands, a third of their products now come from China, a third from Vietnam, and the rest is from other countries, the survey found.

Bangladesh's textile imports from China, measured by value, rose from 39 per cent in 2005 to 47 per cent in 2015, and similar trends could be seen in Cambodia, Vietnam, Malaysia and other developing countries in Asia.

Source : www.cnbc.com

Exports up 12.9% in April

China's April exports rose 12.9 percent from a year earlier, rebounding from a drop in March, while imports grew 21.5 percent, both growing much faster than expected despite worries over an escalating trade dispute with the United States. That left the country with a trade surplus of US$28.78 billion for the month.

Analysts polled by Reuters had expected April 2018 shipments from the world's largest exporter to have risen 6.3 percent on year, bouncing back from a 2.7 percent decline the previous month that was believed to have been heavily distorted by seasonal factors. Import growth had been expected to pick up to 16 percent, compared with 14.4 percent one month earlier.

Analysts had expected China to post a trade surplus of US$24.7 billion for April 2018 after a rare deficit of US$4.98 billion the previous month. For January-April 2018 combined, exports rose 16.5 percent, and imports rose 19.6 percent on year, suggesting global demand remains resilient despite concerns about rising trade protectionism.

China's trade performance has got off to a strong start this year, following through on a solid rebound in 2017, supported by sustained demand at home and abroad.

But the export outlook is being clouded by the trade row with the United States, which could disrupt China's shipments and its supply chains.

Source : The Financial Express

Turkey

Textile exports up 9.4% during Jan-March 2018

Turkey's total exports of textiles (fibres, yarns and fabrics) in the period January-March 2018 rose to US$2.7 billion, an increase of 9.4%, compared to the same period last year.

During the period, the EU (28) countries accounted for approximately US$1.5 billion of Turkish exports, where the country's largest textile market Italy, increased by 10.9% to reach US$246 million. Exports to Germany, the second largest market, increased by 14% compared to the previous year and amounted to approximately US$225 million.

Exports to Bulgaria, Turkey's third most important market, declined by 10.1% to US$154 million during the same period. In fourth and fifth position were USA and UK, where exports increased by 6.4% (appx. US$142 million) and 10.4% (appx. US$109 million) respectively.

When exports of textiles are examined on a product group basis for the period, the most important group was woven fabric. Exports of woven fabrics, which accounted for 24.6% of total textile and raw material exports, have increased by 12.1% compared to the same period last year and were worth approximately US$664 million.

Yarn exports, which were the second most important group, were worth US$497 million, with synthetic filament yarns achieving US$201 million, 40.4% of total yarn exports. Italy was the most important country for yarn exports at US$65 million. Other important countries were UK, Belgium and the Netherlands. The share of EU (28) countries in yarn exports was 66%.

Exports of home textiles increased by 6.5% to reach to US$400 million.

Source : www.innovationintextiles.com

Bangladesh

Trade ties with Thailand to get a boost

Bangladesh and Thailand are working towards boosting bilateral ties and the trade between the two countries is expected to touch US$2 billion by 2021. Bangladesh has also requested to consider a free trade agreement (FTA) to encourage bilateral trade.

Bangladesh-Thailand trade currently amounts to US$800 million, with the latter's export amount standing at US$781 million.

It is believed that Bangladesh is now concentrating on signing FTAs as it is slated to graduate out of the least developed countries (LDCs). The country will sign FTAs with Cambodia and Sri Lanka by the end of this year and is also considering similar agreements with some other nations.

Source : Fibre2fashion

Egypt

Garments Exports up in the first quarter of 2018

Garment exports from Egypt was US$385 million (LE 6.77 billion) in the first quarter of 2018, showing an increase of 17 per cent over exports of US$330 million during the same period of the previous year. The country expects US$1.8 billion exports by end of this year.

Of the total export in January-March 2018, around 48 per cent or US$185 million of garments were destined to the US. This is a 16 per cent jump compared to US$160 million during the same period of 2017.

Month-wise, exports fetched US$129 million, US$133 million and US$123 million in January, February and March respectively, compared to exports of US$104 million, US$110 million and US$116 million in the corresponding months of the previous year. If the current trend continues, it is hopeful of achieving US$1.8 billion in exports this year.

Egyptian garment industry is also expected to be benefited from the recently agreed African Continental Free Trade Area (ACFTA), as it will boost Egyptian apparel exports to other African countries, including South Africa.

Source : Fibre2fashion

Kenya

Exports of textiles to US fall

Kenya's exports of goods to the US under the African Growth and Opportunity Act (AGOA) declined by 4.65 per cent or Ksh1.6 billion (US$15.9 million) in 2017. The exports, mainly textile items, fell from Ksh34.4 billion (US$343.3 million) in 2016 to Ksh32.8

billion (US$327.3 million) last year.

Capital investment too dropped last year by 14.1 per cent. The value of exports reduced for a second consecutive year with capital investment reducing to Ksh14.2 billion (US$141.7 million) in 2017.

AGOA exports constituted 60 per cent of all Kenyan goods shipped to the US in 2017. Textile and apparel products continue to dominate Kenyan exports under the AGOA since it was enacted in 2000.

AGOA was last extended in June 2015 for ten years till 2025, including third-country fabric provisions.

Source : Fibre2fashion

USA

Textile and clothing imports up 5.65% during January-March 2018

The import of textiles and apparel by the United States has increased by 5.65 per cent to US$25.64 billion in the first three months of 2018, compared to imports valued at US$24.27 billion in January-March 2017. With 36.82 per cent share, China was the largest supplier of textiles and clothing to the US during the quarter, followed by Vietnam with 11.52 per cent.

Apparel continued to the be the major items in the textiles and garments imports made by the US in January-March 2018, and were valued at US$19.23 billion, while non-apparel imports accounted for the remaining US$6.42 billion.

Segment-wise, among the top ten apparel suppliers to the US, exports from Cambodia showed double-digit growth of 12.52 per cent year-on-year. On the other hand, imports from Indonesia and Sri Lanka registered a decline of 5.78 per cent and 10.36 per cent respectively, compared to the same period of the previous year.

In the non-apparel category, among the top ten suppliers, imports from Vietnam, China and Turkey shot up by 113.34 per cent, 34.91 per cent and 29.46 per cent year-on-year to US$160.59 million, US$2.83 billion and US$264.14 million, respectively. Imports from Italy and Mexico too grew by 22.17 per cent and 13.30 per cent respectively.

Of the total US textile and apparel imports of US$25.64 billion during the period under review, cotton products were worth US$11.47 billion, while man-made fibre products accounted for US$12.87 billion, followed by US$710.90 million of wool products and US$600.70 million of products from silk and vegetable fibres.

In 2017, the US textile and apparel imports had increased by 1.25 per cent year-on-year to US$105.97 billion, with apparel alone accounting for US$80.27 billion.

Source : Fibre2fashion

Export Benefits to be extended to merchant exporters

Slow growth in India's exports has prompted the government to promote merchant exporters, who contribute almost a third of India's exports in value terms but can't avail of some incentives meant for manufacturer exporters.

Merchant exporters do not own manufacturing facilities but buy goods from manufacturers here and sell to overseas customers. They have the flexibility to procure goods from many sellers and sell them after negotiating the best prices to foreign buyers.

They are usually able to negotiate prices with buyers, sellers and shipping lines which are better than regular exporters.

The department of commerce is mulling ways to reduce the cost of credit for them.

Though India's exports crossed the US$300-billion mark after a gap of two years in 2017-18, exports contracted in March after four months with labour-intensive sectors such as gems & jewellery, readymade garments of all textiles, jute manufacturing including floor covering, carpets and agri-products showing a dip in outward shipments.

The plan to encourage merchant exporters has come at a time when the government is relooking at its export promotion schemes and making them compliant with global trade norms.

Source : The Economic Times

Commerce Minister asks for action plan to boost exports

The Hon'ble Union Minister of Commerce & Industry and Civil Aviation, Shri Suresh Prabhu, addressed secretaries and senior officers in the first inter-ministerial meeting on Sectoral Export Promotion Strategy recently. The meeting was attended by Secretaries to the Government of India from Department of Commerce, DIPP, Electronics and IT, Animal Husbandry and Dairying and MSME, besides senior officers from about 14 other administrative Ministries/Departments including among others Textiles which are concerned with various product groups that comprise a substantial part of India's merchandise exports.

The Commerce Minister emphasised that exports are strategically important and that sustained growth in exports is critical for India. It is, therefore, imperative to promote exports as a combined and joint mission, which requires the effort of all ministries and departments of the government.

Shri Prabhu asked all officers to prepare an action plan on boosting exports of products being handled by their respective Ministries and send it to the Department of Commerce within the next fortnight. The action plan should also have short-term targets which are achievable in the next two months. The Department of Commerce will take the assistance of the Ministry of External Affairs to implement the action plans through India's commercial missions abroad.

The Minister informed that the Union Cabinet has accorded approval of Rs 5,000 crore to promote export of services in champion sectors, and the Department of Commerce (DoC) is organising the next global exhibition on export of services in Mumbai during May 2018. He stated that the DoC is now actively associating with state governments for promoting exports, recognising the fact that states are the key stakeholders in export growth. Regional authorities of the Directorate-General of Foreign Trade (DGFT) have been assigned enhanced roles and responsibilities to liaise with state governments to assist in the formulation and implementation of state export policy and strategy and to represent the Department of Commerce in the State and Union Territory governments. Officers have been asked to identify a few districts under their jurisdiction to assess and prepare a dossier on their export potential and initiate measures to realise the full potential of actual exports from that area, he said.

He added that on the external front, the DoC has engaged with about 150 countries in the last few months. A task force on SEZs has also been set up to ensure that export potential from these zones is utilised fully. He informed the respective Ministries and Departments that DoC as well as the ITPO can organise road shows and exhibitions for their sectors and products. He said that a holistic approach to manufacturing and exports is the need of the hour, as a protectionist approach may actually have a negative impact on value-added items of export. There is need to look for new markets as well as export new products. Ministries should work out the strategy, and after receiving the plans, DoC will organise further meetings with export promotion councils, trading houses as well as major exporters. A 'Best Exporting Ministry/Dept. Award' will also be announced, he disclosed.

The Minister advised the EXIM bank to prepare an action plan to alleviate the financial difficulties being faced by exporters. Similarly, the FPI sector can take the help of NABARD for financing their projects. He announced that the arrangement for having inter-ministerial meetings to boost exports with the concerned administrative ministries will be institutionalised by DoC, said a release.

Source : www.eximin.net

India may revive rupee-rial payment arrangement

India could revive a rupee-rial payment arrangement with Iran to bail out exporters from the heat of US sanctions that have cast a shadow over any plan to further boost trade with Iran, exports to which had reversed a three-year slide in 2017-18. Around 2011-

12, a rupee-rial mechanism was put in place where up to 45% of India's purchases of Iranian crude could be effected in rupees in exchange for items like rice, wheat and medicines that were not sanctioned by the UN. Exports to Iran could witness a hitch if the US and its allies go ahead with sanctions, although such payment issues could be sorted out fast this time around due to previous experience of handling such crisis, restoring the flow of trade, said the sources. But the sanctions have potential to put a lid on growth in India's exports to Iran.

India has a goods trade deficit of over US$8 billion with Iran (thanks to massive oil imports), so our exporters may not face much problem in getting payments via rupee, said the sources According to the Commerce Secretary Ms. Rita Teaotia, the US move is unlikely to cause any major shift in India's trade with Iran, as the country had shipped out goods to the Islamic nation earlier even when sanctions were on. The rupee-rial arrangement was done as hardening US sanctions made money transfer to Indian exporters through an informal route using UCO Bank much more difficult.

Source : The Financial Express

Knitwear exports from Tiruppur drop by about 8%

Garment exports from Tiruppur, the knitwear hub of the country, have declined by close to 8% to Rs 24,000 crore in 2017-18 from a year ago period.

This is the first time in the past five years that knitwear exports from Tiruppur have declined. In 2016-17, the exports at Rs 26,000 crore, had shown around 13% increase over the previous year.

It is believed that the cut in duty drawback scheme from last September as one of the main reasons for the slump in exports.

The incentive duty drawback scheme available to the exporters was slashed to 2% from 7.6% in the latter half of the year, which has put India at a disadvantage vis-à-vis competing countries such as Bangladesh, Sri Lanka and Bangladesh who enjoy duty-free access to Europe and the US, the main buyers of garments.

Tiruppur accounts for 46% of the total knitwear garment exports from the country. The total knitwear exports from the country too saw a decline last year. But the drop has been more for Tiruppur exports. The total knitwear exports from the country fell by just over 5% to Rs 52,170 crore from a year earlier.

The delay in refund of GST and state levies is pointed out as another reason for the setback to exports as it crimped the working capital flow. Most exporters began to get refunds after February.

The exporters have been trying to widen their reach by exploring new markets such as Latin America and Africa in the past few years.

The current sluggishness in the international market also necessitates policy support for the exporters.

Source : The Economic Times

Global trade up 16.32% in 2017-18

India's global trade has increased by 16.32 per cent to US$767.9 billion in 2017-18,

In 2016-17, the trade had amounted to US$660.2 billion.

While India's global trade grew by 16.32 per cent between 2016-17 and 2017-18, India's total trade with LAC (Latin American countries) grew by 19.63 per cent.

It said that bilateral trade with LAC including Bolivia, Peru, Chile and Brazil has recorded healthy growth in 2017-18 as per the provisional numbers.

Bolivia has emerged as a major trade partner of India in LAC region with bilateral trade registering a growth of 205 per cent from US$253 million in 2016-17 to US$ 772.44 million in 2017-18.

Similarly, bilateral trade with Brazil has increased to US$8.56 billion in the last fiscal from US$6.51 billion in 2016-17.

Bilateral trade with Chile grew to US$ 2.85 billion in 2017-18 from US$1.90 billion in the previous fiscal.

India's trade with LAC has increased from US$24.52 billion in 2016-17 to US$29.33 billion in 2017-18.

Source : The Economic Times

MEIS Scheme of 4% extended beyond 30th June 2018

The Directorate General of Foreign Trade (DGFT), under the Ministry of Commerce and Industry, Government of India, has extended the incentive at 4 per cent under the Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy of India (FTP 2015-20), beyond June 30, 2018.

The MEIS incentive under Foreign Trade Policy of India (FTP 2015-20) was valid from November 1, 2017 to June 30, 2018, as per earlier Public Notices issued by the DGFT.

Source : Fibre2fashion

Textile Minister asks feedback from stakeholders on 'Samarth'

The Hon'ble Union Minister for Textiles Smt. Smriti Irani has sought feedback from stakeholders on 'Samarth', a Scheme for capacity building and skilling in the textile sector. The Scheme targets to train 10 lakh persons (9 lakh in organised and 1 lakh in traditional sector) over a period of three years (2017-20), with an outlay of Rs 1,300 crores. The guidelines of the scheme were released on April 23 this year.

The broad objective of the new Scheme under the Skill India Mission is to skill the youth for gainful and sustainable employment in the textile sector covering the entire value chain of textiles, excluding spinning and weaving. "The concerns of the stakeholders and challenges faced by them during implementation of the previous scheme were discussed in the meeting.

The Scheme, approved by the Cabinet Committee on Economic Affairs on December 20 last year, is intended to provide demand driven, placement oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes to incentivise and supplement the efforts of the industry in creating jobs in the textiles sectors.

Source : www.moneycontrol.com

Surat textile sector hit as prices of inputs increase

Surat textile weavers and processors have entered their third crisis in one-and-a-half years. In November 2016, high-value currency notes were withdrawn, paralysing Surat as its economy was largely cash-based involving small processors and migrant employees. Last July, the industry was shut for long after the Goods and Service Tax was imposed, rendering a big blow to textile processors, whose cost increased sharply along with compliance burden.

As if this was not enough, polyester yarn prices increased 6-8 per cent in the past one month and 12-15 per cent in past 3 months. Total cost increased along with other costs since January has been put at over 30 per cent. This is happening at a time when fabric demand is low. Demand will revive only when the festival season begins a few months later. Due to an extra month in Gujarati calendar, festivals will start with a month delay.

Recently all the Surat power loom co-operatives and job workers involving hundreds and thousands of workers had a Meeting where they have proposed to reduce daily operating shifts from three to two. Several employees are also proceeding on leave. Reducing shift means fall in production. A leading composite mill executive said that post GST, there was a fall in a third of Surat synthetic fabric production.

These industry associations/co-operatives have decided to work in two shifts of 6 hours or 8 hours, resulting in one third cut in production.

Most weavers' cooperatives and job works have together decided to cut one shift. If yarn is not weaved and fabric is not produced, job workers will not have that much processing work.

Power looms have another problem which will be represented to the Finance Ministry - Synthetic fabric has 5 per cent GST but yarn attracts 12 per cent GST. This means when selling fabrics, they will not be able to claim full GST paid of yarn and hence huge amount of unused tax credit will remain in their books. The industry have decided to seek refund of the unused tax credit in our books from the finance ministry.

Source : Business Standard

ATTENTION : MEMBERS

Renewal of Membership for the year 2018-19

Kindly refer to the Council's letter No. Secy/Mem/2037 dated 21st March 2018 and the Subscription memo along with the Circular in this regard.

As already informed, non-payment of Membership Subscription will lead to 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 2018-19 at the earliest.

The annual membership fee is as follows :

For SSI Units	:	Rs. 8,201/- (including GST charge @ 18%)
For others	:	Rs. 12,331/- (including GST charge @ 18%)

We would also like to inform members that the Council has made arrangements for online renewal of membership as well as online issuance of RCMC w.e.f. 1st April 2018. Members may renew their membership online through Council's website **www.srtepc.in**. Please note that your company IEC code is your user code and you click on 'forgot password', you will receive your login details on your registered e-mail id, which will enable you to access your RCMC account online.

FREQUENTLY ASKED QUESTIONS ON

UDYOG AADHAAR

An Easy way of Registration for MSME

Earlier, to start any business and get Micro, Small & Medium Enterprises (MSME) registration or SSI registration, a lot of paperwork/ documentation was involved. To get this registration, Forms such as Entrepreneur Memorandum-I (EM-I) and Entrepreneur Memorandum-II (EM-II) had to be filed.

But with the introduction of Udyog Aadhaar, there is no need to file different types of forms. At present, this facility is available for small, medium and micro industries. Udyog Aadhar is available free of cost for small, medium and micro industries. Those industries who are registered with Udyog Aadhar will get the benefits of all Government schemes like an easy loan, subsidies etc. So let's try to understand what is Udyog Aadhar.

Introduction:

Small and medium-small industries want to start any business; they need to do the registration with MSME. This registration with MSME can be done in two ways i.e. one is online and other one is offline. This facility is called Udyog Aadhar. This Aadhaar is a 12 digit number. The reason to launch this Aadhar is to provide maximum benefits to the small and medium scale industries, who are registered with MSME through this Aadhar number. This scheme is available all over India.

Registration Process:

1. To do the registration, the small and medium scale industry owner has to fill a single form which he can do online as well as offline.
2. If a person wants to do registration for more than one industry, then also he/she can do individual registration.
3. To do the registration he/she has to fill a single form which is available at the website www.msme.gov.in.
4. The document required for the registration is Personal Aadhar number, Industry name, Address, bank account details and some common information.
5. In this, the person can provide self-certified certificates.
6. There are no registration fees required for this process.
7. Once the detail-filled and upload you would be getting the registration number.

Advantages of Udyog Aadhaar:

1. To do registration, you can use either of the options available to you- ONLINE or OFFLINE.
2. Once you have applied for registration, you will get the Udyog Aadhar number on your registered mail ID.
3. To apply, only one-page form is required and it should be self-attested.
4. There are no process fees.
5. Once you have registered with MSME, you would be getting all government scheme benefits like without guarantee loan, easy loan, loan with the low rate of interest.
6. You would be getting the financial support to participate in the foreign expo.
7. Your industry would be getting the government subsidies.

Frequently Asked Questions:

Q1. What is the date for adopting the UAM and stopping EM-I and EM-II?

- It is clarified that once the UAM has been notified Gazette Notification [SO No. 2576(E)] dated 18-09-15 (https://udyogaadhaar.

gov.in/Web/doc/GazetteNotification2576.pdf), there cannot be a different cut-off date announced for adopting UAM. However, in order to maintain continuity, the cases of EM-I/II filing under process till 18-09-2015 may be accepted.

Q2. Whether States/UTs have access to reports/ query and such other functions as may be required by GM(DIC)/ Directorate of Industries on the UAM portal?

- The Udyog Aadhaar portal has been envisaged to take care of this requirement.

Q3. How to select NIC Code of the Activity performed by the enterprise?

- The NIC code can be selected once the aadhaar number is validated and major activity (manufacturing or service) is selected. In order to simplify the selection of appropriate NIC code, a three-stage drop-down list is available to the users.

Q4. Is there a provision to verify the UAM credentials by the procurement agencies including government departments and PSUs?

- NIC has been advised to suitably provide this provision in a way that several e-procurement portals in the country, created by the government or private but being used by the government could benefit from the UAM portal in so far as online verification of a MSME unit is concerned.

Q5. Is there a difference in the information sought under EM-I/II and the new UAM?

- In order to promote ease of doing business for MSMEs, it has been decided to seek lesser information than EM-I/II in the UAM.

Q6. How to submit the supporting documents while filing UAM online?

- The information sought is on self-certification basis and no supporting documents are required at the time of online filing of UAM.

Q7. What would be the role of "Udyog Bandhu" in the UAM?

- The role of facilitating the creation and growth of enterprises in the States/UTs is not proposed to change in any manner whatsoever through UAM. The concept of "Udyog Bandhu" may therefore not be affected by UAM.

Q8. Whether the new system of UAM encapsulates the change in the line of production?

- Yes, since the new system constitutes self declaration format, the change in the line of productions accordingly may be incorporated.

Q9. What would happen to those enterprises which do not have Aadhaar Number?

- The Udyog Aadhaar Registration can be done online by individuals themselves in case they have an Aadhaar number. However, in all exceptional cases, including those of not having Aadhaar number, can still file Udyog Aadhaar Memorandum ,in offline mode(i.e. on paper form), with the General Manager(GM) of the concerned District Industries Centre(DIC). The same has also been notified in the gazette dated 18-09-15.

  The persons having Aadhaar numbers, by virtue of having provided the demographic as well as biometric details to the state, once and for all, indeed enjoy a greater ease of registration at the UAM portal.

Q10. How to edit or update Udyog Aadhaar Number?

- Please follow the given below instructions:

  1) Click on the link https://udyogaadhaar.gov.in/UA/UA_EntrepreneurLogin.aspx

  2) Enter your Udyog Aadhaar Number Enter the verification code and submit.

  3) Enter the OTP received on your Aadhaar linked Number.

  4) Edit the details you want to change and submit.

Q11. Who has access to the data from the UAM portal?

- The UAM Portal shall have suitable provisions to allow officials of the State Governments including GM DICs to have password protected access to data of their jurisdiction.

Q12. Whether the new system of registration provides NIC Code in Hindi and English?

- Presently the NIC Codes are only available in English. However, the same may be made available in Hindi in due course.

Q13. What is the monitoring mechanism available to Director (Industries) and GM(DICs) for new registration under UAM?

- Since the UAM is being filing on self certification basis and the UAN is generated instantly, there cannot be any monitoring of the registration process. However, the enterprises filing the UAM online are liable to provide documentary proof of information provided in the UAM, wherever necessary, to the Central Government, State Government or such person as may be authorized.

Q14. Disclaimer should be added in UAN?

- Notification clearly states that the UAM filed is on self declaration basis. Therefore, no separate disclaimer is required.

Q15. How the closing of the business unit is recorded the entrepreneur in the UAM?

- It may not be made obligatory for the closing unit to inform about it to the State/UT concerned or the UAM portal.

Q16. How should the States/UTs with less coverage under Aadhaar adopt UAM?

- Some of the States have less than adequate coverage as per the UIDAI data. It has been clarified to such States, such as Assam that the option of assisted filing of UAM in offline mode with the GM (DIC) could be resorted to. Aadhaar number is not a mandatory requirement when the States/UTs have offices in the Districts headed by GM (DICs) and whose primary role is to promote and facilitate industries in the District. The UAM can be filled through the concerned GM (DIC).

  The States/UTs have been asked to sensitize their District Industries Centers for a proactive role in Udyog Aadhaar.

Source: https://msme.gov.in/sites/default/files/Udyog_Aadhar_Booklet.pdf/ www.charteredclub.com

FREQUENTLY ASKED QUESTIONS

Micro, Small and Medium Enterprises

- **Definition of MSME?**

The MSMED Act, 2006 defines the Micro, Small and Medium Enterprises as under:

(a) Enterprises engaged in the manufacture or production, processing or preservation of goods as specified below:

(i) Micro enterprise - An enterprise where investment in plant and machinery does not exceed Rs. 25 lakh;

(ii) Small enterprise - An enterprise where the investment in plant and machinery is more than Rs.25 lakh but does not exceed Rs. 5 crore; and

(iii) Medium enterprise - An enterprise where the investment in plant and machinery is more than Rs.5 crore but does not exceed Rs.10 crore.

In case of the above enterprises, investment in plant and machinery is the original cost excluding land and building and the items specified by the Ministry of Small Scale Industries vide its notification No.S.O.1722 (E) dated October 5, 2006.

(b) Enterprises engaged in providing or rendering of services and whose investment in equipment (original cost excluding land and building and furniture, fittings and other items not directly related to the service rendered or as may be notified under the MSMED Act, 2006) are specified below.

(i) Micro enterprise - An enterprise where the investment in equipment does not exceed Rs. 10 lakh;

(ii) Small enterprise - An enterprise where the investment in equipment is more than Rs.10 lakh but does not exceed Rs. 2 crore; and

(iii) Medium enterprise - An enterprise where the investment in equipment is more than Rs. 2 crore but does not exceed Rs. 5 crore.

- **What is the status of lending by banks to this sector?**

Bank's lending to the Micro, Small and Medium enterprises as under is eligible to be reckoned for priority sector advances:

(a) MSMEs engaged in the manufacture or production of goods to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951 and as notified by the Government from time to time is reckoned for priority sector advances.

(b) MSMEs engaged in providing or rendering of services and defined in terms of investment in equipment under MSMED Act, 2006.

Detailed guidelines on lending to the Micro, Small and Medium enterprises sector are available in our Master Direction FIDD.MSME & NFS.12/06.02.31/2017-18 dated July 24, 2017. The instructions issued by RBI, to banks, on various matters are available on our website www.rbi.org.in.

- **What is meant by Priority Sector Lending?**

Priority sector lending include only those sectors as part of the priority sector, that impact large sections of the population, the weaker sections and the sectors which are employment-intensive such as agriculture, and Micro and Small enterprises. Priority Sector also includes the following categories - Export Credit, Education, Housing, Social Infrastructure, Renewable Energy & Others

Detailed guidelines on Priority sector lending are available in our Master Direction on Priority sector lending no. FIDD.CO.Plan.1/04.09.01/2016-17 dated July 7, 2016.

- **Are there any targets prescribed for lending by banks to MSMEs?**

As per extant policy, certain targets have been prescribed for banks for lending to the Micro and Small enterprise (MSE) sector. In terms of the recommendations of the Prime Minister's Task Force on MSMEs (Chairman: Shri T.K.A. Nair, Principal Secretary), banks have been advised to achieve a 20% year-on-year growth in credit to micro and small enterprises, a 10% annual growth in the number of micro enterprise accounts and 60% of total lending to MSE sector as on corresponding quarter of the previous year to Micro enterprises.

- **Are there specialized bank branches for lending to the MSMEs?**

Public sector banks have been advised to open at least one specialized branch in each district. The banks have been permitted to categorize their MSME general banking branches having 60% or more of their advances to MSME sector, as specialized MSME branches for providing better service to this sector as a whole. As per the policy package announced by the Government of India for stepping up credit to MSME sector, the public sector banks will ensure specialized MSME branches in identified clusters/centres with preponderance of small enterprises to enable the entrepreneurs to have easy access to the bank credit and to equip bank personnel to develop requisite expertise. Though their core competence will be utilized for extending finance and other services to MSME sector, they will have operational flexibility to extend finance/render other services to other sectors/borrowers.

- **How many such specialized branches for lending to MSMEs are there?**

  As reported by Scheduled Commercial Banks (SCBs), on March 2017, there are 2998 specialized MSME branches.

- **How do banks assess the working capital requirements of borrowers?**

  The banks have been advised to put in place loan policies governing extension of credit facilities for the MSE sector duly approved by their Board of Directors (Refer circular RPCD.SME & NFS.BC.No.102/06.04.01/2008-09 dated May 4, 2009). Banks have, however, been advised to sanction limits after proper appraisal of the genuine working capital requirements of the borrowers keeping in mind their business cycle and short term credit requirement. As per Nayak Committee Report, working capital limits to SSI units is computed on the basis of minimum 20% of their estimated turnover up to credit limit of Rs.5 crore.

- **Is there any provision for grant of composite loans by banks?**

  A composite loan limit of Rs.1 crore can be sanctioned by banks to enable the MSME entrepreneurs to avail of their working capital and term loan requirement through Single Window in terms of our Master Direction on lending to the MSME sector dated July 24, 2017. All scheduled commercial banks were advised by RBI circular RPCD.SME&NFS. BC.No.102/06.04.01/2008-09 on May 4, 2009 that the banks which have sanctioned term loan singly or jointly must also sanction working capital (WC) limit singly (or jointly, in the ratio of term loan) to avoid delay in commencement of commercial production thereby ensuring that there are no cases where term loan has been sanctioned and working capital facilities are yet to be sanctioned.

- **What is Cluster financing?**

  Cluster based approach to lending is intended to provide a full-service approach to cater to the diverse needs of the MSE sector which may be achieved through extending banking services to recognized MSE clusters. A cluster based approach may be more beneficial (a) in dealing with well-defined and recognized groups (b) availability of appropriate information for risk assessment (c) monitoring by the lending institutions and (d) reduction in costs.

  The banks have, therefore, been advised to treat it as a thrust area and increasingly adopt the same for SME financing. United Nations Industrial Development Organisation (UNIDO) has identified 388 clusters spread over 21 states in various parts of the country. The Ministry of Micro, Small and Medium Enterprises has also approved a list of clusters under the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) and Micro and Small Enterprises Cluster Development Programme (MSE-CDP) located in 121 Minority Concentration Districts. Accordingly, banks have been advised to take appropriate measures to improve the credit flow to the identified clusters.

  Banks have also been advised that they should open more MSE focussed branch offices at different MSE clusters which can also act as counselling centres for MSEs. Each lead bank of the district may adopt at least one cluster (Refer circular RPCD.SME & NFS. No.BC.90/06.02.31/2009-10 dated June 29, 2010)

- **What are the RBI guidelines on interest rates for loans disbursed by the commercial banks?**

  As part of the financial sector liberalisation, all credit related matters of banks including charging of interest have been deregulated by RBI and are governed by the banks’ own lending policies. With a view to improve transparency in the methodology followed by banks for determining interest rates on advances and the efficiency of monetary policy transmission, from April 1, 2016, banks are required to sanction all their advances with reference to the Marginal cost of fund based lending rates (MCLR). In no case the interest rates on advances shall fall below MCLR. However, loans sanctioned under the Base rate/BPLR regime shall continue till the maturity or renewal. Banks shall have to provide an option to the customers to switch to the MCLR from Base rate/BPLR and this should not be treated as a foreclosure of existing facility.

- **Can the MSE borrowers get collateral free loans from banks?**

  In terms of our circular RPCD.SME&NFS.BC.No.79/06.02.31/2009-10 dated May 6, 2010, banks are mandated not to accept collateral security in the case of loans upto Rs 10 lakh extended to units in the MSE sector. Further, in terms of our circularRPCD/PLNFS/BC.No.39/06.02.80/2002-04 dated November 3, 2003, banks may, on the basis of good track record and financial position of MSE units, increase the limit of dispensation of collateral requirement for loans up to Rs.25 lakh with the approval of the appropriate authority.

- **What is the Credit Guarantee Fund Trust Scheme for MSEs?**

  The Ministry of MSME, Government of India and SIDBI set up the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) with a view to facilitate flow of credit to the MSE sector without the need for collaterals / third party guarantees. The main objective of the scheme is that the lender should give importance to project viability and secure the credit facility purely on the primary security of the assets financed. The Credit Guarantee scheme (CGS) seeks to reassure the lender that, in the event of a MSE unit, which availed collateral - free credit facilities, failing to discharge its liabilities to the lender, the Guarantee Trust would make good the loss incurred by the lender up to 85 per cent of the outstanding amount in default.

  The CGTMSE would provide cover for credit facility up to Rs. 200 lakh which have been extended by lending institutions without any collateral security and /or third party guarantees. A guarantee and annual service fee is charged by the CGTMSE to avail of the guarantee cover. For more details you may visit www.cgtmse.in.

- **Is credit rating mandatory for the MSE borrowers?**

  Credit rating is not mandatory but it is in the interest of the MSE borrowers to get their credit rating done as it would help in credit pricing of the loans taken by them from banks.

- **Why is credit rating of the MSME borrowers necessary?**

  With a view to facilitating credit flow to the MSME sector and enhancing the comfort-level of the lending institutions, the credit rating of MSME units done by reputed credit rating agencies should be encouraged. Banks are advised to consider these ratings as per availability and wherever appropriate structure their rates of interest depending on the ratings assigned to the borrowing MSME units.

- **What are the guidelines for delayed payment of dues to the MSE borrowers?**

  With the enactment of the Micro, Small and Medium Enterprises Development (MSMED), Act 2006, for the goods and services supplied by the MSME units, payments have to be made by the buyers as under:

  (i) The buyer is to make payment on or before the date agreed on between him and the supplier in writing or, in case of no agreement, before the appointed day. The agreement between seller and buyer shall not exceed more than 45 days.

  (ii) If the buyer fails to make payment of the amount to the supplier, he shall be liable to pay compound interest with monthly rests to the supplier on the amount from the appointed day or, on the date agreed on, at three times of the Bank Rate notified by Reserve Bank.

  (iii) For any goods supplied or services rendered by the supplier, the buyer shall be liable to pay the interest as advised at (ii) above.

  (iv) In case of dispute with regard to any amount due, a reference shall be made to the Micro and Small Enterprises Facilitation Council, constituted by the respective State Government.

  To take care of the payment obligations of large corporate borrowers to MSEs, banks have been advised that while sanctioning/ renewing credit limits to their large corporate borrowers (i.e. borrowers enjoying working capital limits of Rs.10 crore and above from the banking system), to fix separate sub-limits, within the overall limits, specifically for meeting payment obligations in respect of purchases from MSEs either on cash basis or on bill basis.

  Banks were also advised to closely monitor the operations in the sub-limits, particularly with reference to their corporate borrowers' dues to MSE units by ascertaining periodically from their corporate borrowers, the extent of their dues to MSE suppliers and ensuring that the corporates pay off such dues before the 'appointed day'/agreed date by using the balance available in the sub-limit so created. In this regard the relevant circular is circular IECD/5/08.12.01/2000-01 dated October 16, 2000 (reiterated on May 30, 2003, vide circular No. IECD.No.20/08.12.01/2002-03) available on our website.

- **What is debt restructuring of advances?**

  A viable/potentially viable unit may apply for a debt restructuring if it shows early stage of sickness. In such cases the banks may consider to reschedule the debt for repayment, consider additional funds etc. A debt restructuring mechanism for units in MSME sector has been formulated and advised to all commercial banks. The detailed guidelines have been issued to ensure restructuring of debt of all eligible small and medium enterprises. Prudential guidelines on restructuring of advances have also been issued which harmonises the prudential norms over all categories of debt restructuring mechanisms (other than those restructured on account of natural calamities). The relevant circulars in this regard are circular DBOD.BP.BC.No.34/21.04.132/2005-06 dated September 8, 2005 and Circular DBOD.No.BP.BC.37/21.04.132/2008-09 dated August 27, 2008 which are available on RBI website www.rbi.org.in.

- **How can a bank or creditor identify incipient stress in MSME account?**

  Before a loan account of a Micro, Small and Medium Enterprise turns into a Non-Performing Asset (NPA), banks or creditors should identify incipient stress in the account by creating three sub-categories under the Special Mention Account (SMA) category as given in the Table below:

  SMA Sub-categories-Basis for classification

SMA-0	- Principal or interest payment not overdue for more than 30 days but account showing signs of incipient stress
SMA-1	- Principal or interest payment overdue between 31-60 days
SMA-2	- Principal or interest payment overdue between 61-90 days

- **What are the salient features of the guidelines on 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises (MSMEs)'?**

  The salient features of the Framework are as under:

  (i) Before a loan account of an MSME turns into a Non-Performing Asset (NPA), banks or creditors should identify incipient stress in the account by creating three sub-categories under the Special Mention Account (SMA) category as given in the Framework.

  (ii) Any MSME borrower may also voluntarily initiate proceedings under this Framework.

  (iii) Committee approach to be adopted for deciding corrective action plan.

  (iv) Time lines have been fixed for taking various decisions under the Framework.

- **On which accounts are the provisions of the above Framework applicable?**

  The provisions made in this framework shall be applicable to MSMEs having loan limits up to Rs.25 crore, including accounts under consortium or multiple banking arrangement (MBA).

- **How does the committee resolve the stress in the accounts under the Framework?**

  The Committee may explore various options to resolve the stress in the account. The Committee shall not endeavour to encourage a particular resolution option and may decide the CAP as per the specific requirements and position of each case. The options under CAP by the Committee may include:

  (i) Rectification;

  (ii) Restructuring;

  (iii) Recovery

  For more details you may refer to circular no. FIDD.MSME & NFS.BC.No.21/06.02.31/2015-16 dated March 17, 2016.

- **What are the RBI guidelines on One Time Settlement Scheme (OTS) for MSEs for settlement of their NPAs?**

  Scheduled commercial banks have been advised in terms of our circular RPCD.SME&NFS. BC.No.102/06.04.01/2008-09 dated May 4, 2009 to put in place a non -discretionary One Time Settlement scheme duly approved by their Boards. The banks have also been advised to give adequate publicity to their OTS policies. (Refer circular RPCD.SME&NFS. BC.No.102/06.04.01/2008-09 dated May 4, 2009)

- **Apart from the loans and other banking facilities, do the banks provide any guidance to MSE entrepreneurs?**

  Yes, banks provide following services to the MSE entrepreneurs:

  (i) Rural Self Employment Training Institutes (RSETIs)

  At the initiative of the Ministry of Rural Development (MoRD), Rural Self Employment Training Institutes (RSETIs) have been set up by various banks all over the country. These RSETIs are managed by banks with active co-operation from the Government of India and State Governments. RSETIs conduct various short duration (ranging preferably from 1 to 6 weeks) skill upgradation programmes to help the existing entrepreneurs compete in this ever-changing global market. RSETIs ensure that a list of candidates trained by them is sent to all bank branches of the area and co-ordinate with them for grant of financial assistance under any Govt. sponsored scheme or direct lending.

(ii) Financial Literacy and consultancy support

Banks have been advised to either separately set up special cells at their branches, or vertically integrate this function in the Financial Literacy Centres (FLCs) set up by them, as per their comparative advantage. Through these FLCs, banks provide assistance to the MSE entrepreneurs in regard to financial literacy, operational skills, including accounting and finance, business planning etc. (Refer Circular RPCD.MSME & NFS.BC.No.20/06.02.31/2012-13 dated August 1, 2012)

Further, with a view to providing a guide for the new entrepreneurs in this sector, a booklet titled "Nurturing Dreams, Empowering Enterprises – Financing needs of Micro and Small Enterprises – A guide" has been launched on August 6, 2013 by the Reserve Bank. The booklet has been placed on our website www.rbi.org.in under the following path & URL:

RBI main page – Financial Education – Downloads – For Entrepreneurs (http://rbi.org.in/financialeducation/FinancialEnterprenure.aspx)

Also, Financial Literacy Centres operated by Scheduled commercial Banks have been advised vide our circular FIDD.FLC.BC.No.22/12.01.018/2016-17 dated March 02, 2017 to conduct target specific financial literacy camps wherein one of the target groups identified is MSEs.

- **What is the role of Banking Codes and Standard Board of India (BCSBI) for MSEs?**

  The Banking Codes and Standards Board of India (BCSBI) has formulated a Code of Bank's Commitment to Micro and Small Enterprises. The Code sets minimum standards of banking practices for banks to follow when they are dealing with Micro and Small Enterprises (MSEs) as defined in the Micro Small and Medium Enterprises Development (MSMED) Act, 2006. It provides protection to MSEs and explains how banks are expected to deal with MSEs for their day to-day operations and in times of financial difficulty. The Code may be accessed on the website of BCSBI www.bcsbi.org.in.

Updated as on March 28, 2018

Source : Reserve Bank of India

(to be continued .....)

Half Day Workshop on "Export Risks Management & Insurance Solutions" on 15th June, 2018 at SRTEPC Head Office in Mumbai	
VENUE	SRTEPC, 1st Floor Resham Bhavan, 78 Veer Nariman Road, Mumbai 400 020
DATE & TIME	Friday, 15th June, 2018 from 10:30 am – 1.30 pm
Session 1	**Receivables Management & Credit Risk Insurance** a) Various Risks in Export : Marine & Property Risks, Export Market & Country Risks, Regulations Risk, Political Risks, Commercial/ Buyer Risks, Pricing Risks, Exchange Risks b) Exports & Domestic credit insurance c) Credit insurance products , procedures & benefits
Session 2	**Marine, Property, Liability & other Risks Insurance_** a) Marine Insurance – products & procedures b) Property Insurance – products & procedures c) Liability Insurance – products & procedures d) Employee Benefits Insurance

Entry Free. All are invited to attend the Workshop and avail the maximum benefit.

For more details on the Wrokshop you may contact Mr. K. Baruah, Joint Director
Phone No.: 62318209
E-mail: baruah@srtepc.in. / mr@srtepc.in / ed@srtepc.in

"DON'T MISS THIS OPPORTUNITY"

A Tribute to our Past Chairman, Shri Rakesh Mehra (April 2003 – March 2005) & (December 2012 – January 2015)

Shri Rakesh Mehra was born in Amritsar, Punjab. A Chartered Accountant by profession, he chose to join the Family Business of Textiles - Banswara Syntex Ltd., in 1986. Shri Rakesh Mehra was one of the pioneers who actively developed the export of Man Made Textiles to various overseas markets. It is largely to his efforts that the market for export of fabrics to U.K and of Yarn to Turkey from India took off in a big way. The Exports of Man Made Textiles out of India in that period was a meagre Rs.39.84 crores in 1980-81 as against the current exports of Rs. 347830.06 crores. Shri Mehra is presently the Vice Chairman of Banswara Syntex Ltd, which has been the recipient of the prestigious award of the "Largest Exporter of Man Made Fabrics in India" over the last 10 years. All this has been made possible in no less measure due to the excellent business associations that he has developed, both in the domestic and overseas markets.

Shri Rakesh Mehra was elected Chairman of the Council for two terms, April 2003 to March 2005 and December 2012 to January 2015. During his tenure as Chairman of the Council exclusive Exhibitions were organized in countries which had immense potential especially the Latin American and African region which was a good move since the Ministry was also emphasizing the need to target markets in these regions instead of concentrating on US and EU. Consequently Exhibitions were organized in Tunisia, Morocco, Panama, Mexico, Ghana, Kenya, Turkey, Egypt, Colombia, etc. It was Shri Mehra's farsightedness that helped the Council tap new markets by organizing maiden Exhibitions in places such as Romania, Bulgaria and Ecuador. Exhibitions were also held in established markets like USA, Vietnam and Russia.

Realizing the contribution and potential of Surat as a textile hub, Shri Rakesh Mehra organized the first ever Surat Expo on 10th January 2005 during his first tenure as the Chairman. He quickly realized the importance of educating and developing the Council's members in their day to day operational issues and organized Workshops on New Central Excise Rules & Digital Signature in Mumbai and other prominent cities, thereby creating a deep bond and affinity for the Council amongst its members.

Trade Delegations from overseas countries like Tunisia, Romania and Pakistan were also hosted by the Council, thereby giving a larger cross section of the Council's members to interact with buyers from these markets. Shri Mehra ensured the Council worked towards getting the coveted ISO 9001 2000 Certification on 13th December 2003 which coincided with the day the Council was established. Although his second innings as Chairman was after a period of nearly seven years, he did not let off steam in his pursuit of the benefit of its members. Standalone Exhibitions were held in as diverse countries as Bangladesh, Nigeria, Togo, Iran, Colombia, Sudan, Ethiopia and Myanmar with a view to expand the footprint of SRTEPC's members presence as exporters. The Council participated in International Exhibitions in China, Cambodia and Jeddah. Visits of High Level Delegations to Iran and Romania were also organized. The first ever SRTEPC show in Iran was held under his leadership, a country that we are now beginning to realize the importance of in our scheme of things.

Shri Rakesh Mehra used his skills as an orator to address the need for the growth of Exports at all forums. He ensured and maintained insightful, timely and hence productive exchange of information with various Government departments to ensure that the Manmade Fibre Textile Exports got their recognition and boost. Shri Mehra maintained excellent relationship with all Ministries in the Government of India to ensure the cause of the Exporters was always attended to and facilitated many policies on account of the rapport and relationship that he enjoyed, besides of course his acumen and expertise on various subjects. He had the honour to make representations on the various issues and topic of the Council's members to various Ministers during his twin tenures. He enjoyed very good relations with respected Shri Shanker Singh Vaghelaji, Shri Shahnawaz Husseinji, Shri Kamal Nathji, Dr. Kavuru Sambasiva Raoji, Shri Santosh Gangwar ji, the various Secretaries and the Jt Secretaries all throughout his tenures.

Shri Rakesh Mehra enjoyed good working relationship with the Council staff and always had a ready smile to greet them during his regular visits to the Council. Even today he participates very actively in the working of the Council and lends his substantial experience to the governing office bearers. He continues to contribute to the industry in every way that he can and presently, Shri Mehra is the Convenor of the MMF Committee in the Confederation of Indian Textile Industry.

Emerging Trends & Potential of MMF Textiles

By V. Jaigopal, MD, Madura Coats Pvt. Ltd

At the outset, I do not wish to provide any data or statistics about the MMFT industry, the details of which are readily available. It is my endeavor to provide pointers or directions to the way forward for the Indian textile industry and the increasing role that MMFT has to play in the scheme of things.

Today's world and tomorrow's will be run by disruptive technologies. Seek any path breaking company and you notice that it has disrupted the existing rules of the game to create its own blue print to success. Thus you have the likes of Uber, Airbnb, Google, Apple and so on and so forth that have turned existing paradigms and conventional methods on their heads to become some of the most valued company's or brands in the business.

Textiles, though still retains a lot of conventional practices, in large part due to the fact that it continues to be one of the basic necessities in life. However, the advent of Smart Textiles has the key stakeholders rethink their strategies for the future of the industry.

To give you a glimpse of the future, I will tell you about this start up in USA founded by a young entrepreneur of Indian origin. The company is rewriting the rules of the game by investing its efforts into creating a brand of t-shirts called 'Silic'. The material made out of polyester cannot be stained by any liquids which just fall of the surface of the tees. A clear example that something as basic as a T shirt from a traditional industry can be transformed with the infusion of young talent, technology and capital investment in innovation.

Which are the game changers in today's textile world, the ones that are driving the future of this industry? The major ones are increasing Asian Consumption, Innovation in textiles as given in the example above, Life style changes that are creating new markets, especially in the developed world, Sustainability of the environment, Speed of manufacture and delivery, created out of digitalization of data to add value to fashion and finally the feature of Functionality in textiles.

The projected fibre usage in the developed world is showing a negative trend while that in Asia, despite the depressed global economic conditions is projected to grow. While the contribution of natural fibres such as cotton and silk have been steadily reducing and those of synthetic fibres increasing rapidly, there is another fibre made of cellulose and wood base (blends) that is making its presence felt and is projected to grow at a higher rate than synthetics. But yes, the future is definitely synthetic.

Innovations are being carried out driven by lifestyle changes. Today's age is all about performance and comfort. Sports and Active wear are driving the innovations largely made possible due to the versatility and adaptability of synthetic fibre. Sportsmen are seeking products that regulate body temperature, absorb body odor, dry quickly, are anti perspirant, protect against UV rays, control bacteria etc. All of this while retaining the fashion consciousness in order to be marketable!

Ensuring Sustainability of the environment is another key driver of the growth of the synthetic textile industry. While cotton is cheaper to produce and consumes less energy in manufacturing, over the period of its usage, and its life thereof, the energy consumption of synthetic fabric is less than half of that of cotton (source: University of Cambridge Institute of Manufacturing). Recycling of Polyester is throwing up avenues for the development of sustainable technology is the global textile value chain. Has the time finally come to convert entire factories to recycled product?

Clothing has been communicating its wearer's identity for thousands of years, and now with the trend towards wearable technology (read smart textiles) taking off, there is a major shift in textiles from those that don't have any smart or functional properties to those that have a purpose. Consumers are increasingly demanding products help them work better, play better and just help them do more. Synthetic yarn and Fibre are seemingly in a better position to embrace the demands of consumers, adaption to technological changes, adherence to the sustainable practices and create growth and value for all its stakeholders. Creation of products for the manufacture of smart textiles and functional fabrics is the way forward for Indian Synthetic yarn manufacturers

The Indian Textile Industry also needs to reposition itself in a manner that increase its value, perception and marketability. Changes in mindset at the global level for Indian Textile products are mandatory for us to realize our potential. We must take a leaf out of a country like Sri Lanka whose garment industry enjoys a far higher reputation than our Indian counterparts. They have invested and built a name for themselves in the manufacture of 'Garments without Guilt'. The systems put in place by their garment manufacturers in the areas of Labour Practises, Environmental Management, Business Conduct and Responsibility in Sourcing are compliant to all international standards and regulations and thus they enjoy easy access to the developed markets.

Finally, while the Indian Manmade Fibre Textile Industry must increase capacities and be cost efficient, it should look beyond these easily adaptable systems in order to differentiate. We must build strategic alliances and invest time, money and effort in our suppliers and customers. The industry needs to respond quickly, be proactive and go digital. It has to build a brand that is long term, sustaining and performance driven.

I would like to end my personal views on this subject by quoting management guru Mr. Peter Drucker – "'The best way to predict the future is to create it"

Samyak Synthetics, Bhilwara, Rajasthan

Samyak Synthetics was established in the year 2011 with a simple vision - to provide world class fabrics to the discerning global customer at a competitive price.Shri G.C. Jain, Founder Director incorporated the tagline of **"Weaving Luxury with Perfection"** and also a firm commitment towards ensuring end to end supply of luxury fabric to the global textile market.

Shri G.C. Jain, who founded the company believed in keeping things simple. He started with humble beginnings in Bhilwara, Rajasthan with the objective of catering to the needs of global customers. The management wanted to showcase the Indian talent, product development, delivery capabilities and consistency on international platform. This was the core strategy of their fledgling business operations. Shri Jain, a qualified Chartered Accountant and Company Secretary was President of Sangam Spinners, Bhilwara for 20 years. He used his vast experience and learning in the field of textiles to incorporate Samyak Synthetics.

The company is an ISO 9000:2008 certified supplier, spearheaded by a team of professionals with an experience of more than 30 years in the field of textiles. The systems put in place for quality control, the rigor with which they pursue innovation and the zeal and enthusiasm of each member of the team has seen the company grow its business from a production of 400,000 meters of fabric annually to exporting 6 million metres on an annual basis. This star growth has given them the enviable status of a Star Export House.

As a dedicated Export House, Samyak Synthetics have invested a lot of time, money and effort into sourcing and vendor development, rigorously adhering to international practices to ensure global standards in product development, delivery capabilities and consistency in supply of their products. Samyak Synthetics have an exclusive tie up with about 120 looms that take care of their requirements of weaving. They have supply arrangements in place for uninterrupted supply of raw material to manufacture Woven fabrics of Polyester with various blends such as Viscose, Wool and cotton to their overseas markets such as UAE, Libya, Egypt, Syria, Afghanistan, Iran and the Latin American countries.

In a short span of time Samyak has achieved remarkable success which has been duly recognized by the State Government of Rajasthan which has awarded the company with the **"EXPORT EXCELLENCE"** trophy for the year 2014-15 for exceptional performance in the field of Fabric export from Rajasthan. They have proven their worth by winning the Silver Trophy for **'Best Export Performance in the Small Scale Sector (Fabric) awarded by SRTEPC** for two consecutive years 2015-16 and 2016-17 respectively.

Shri G.C.Jain, Director of the company has been the guiding force and instrumental to the growth and success of Samyak Synthetics. It is under his strong leadership and very clear vision that the group has grown multi-fold.

His son Shri Shirish Jain, also a qualified Chartered Accountant, earned his spurs with Citi Bank in Mumbai before he decided to join his father in expanding the footprint of his company's operations across the world. Shirish Jain has been instrumental in growing the exports of the company. His vigor, enthusiasm and professional outlook has resulted in Samyak's remarkable growth trajectory.

Shri Shirish ji has put in place strategies for the company's future growth and expansion. Samyak Synthetics has planned to setup marketing and sales offices in Dubai, Ethiopia, Uganda and a couple of Latin American countries. These offices will be instrumental in identifying the local requirements minutely and will ensure end to end delivery solution to customers. The company has identified around 15 countries wherein strong possibility for Export of Indian fabric is clearly visible and hence striving to make a mark in these new geographies.

As a part of their Backward Integration process, Samyak Synthetics is also installing a state of the art Air jet looms weaving facility in Bhilwara. The project is currently estimated to manufacture about 4 Million Meters annually and is expected to get commissioned next year.

Samyak Synthetics had also established an In-house designing and testing facility where experts hand-picked from the industry are working to create the, best and latest trend setting and innovative designs for their global customers.

Samyak is affiliated to Mewar Chamber of Commerce, Bhilwara, Udaipur Chamber of Commerce, SRTEPC and FIEO.

MINISTRY OF COMMERCE & INDUSTRY					
DGFT					
S. No	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Notification No. 05/2015-2020	25.04.2018	Amendment in Para 1.05 (b) relating to Transitional Arrangements under FTP 2015-2020	Amendments made in the provision in Para 1.05 (b) of the Foreign Trade Policy 2015- 2020 on Transitional Arrangements	http://dgft.gov.in/Exim/2000/NOT/NOT18/05%20eng.pdf
(2)	Public Notice No. 07/2015-2020	11.05.2018	Amendments in Appendix 3B of the Foreign Trade Policy 2015-20	Rates for items under MEIS Appendix 3B / Service categories in Appendix 3D which were enhanced in the Mid Term review are continued beyond 30.06.2018.	http://dgft.gov.in/Exim/2000/PN/PN18/PN-07(e).pdf
(3)	Public Notice No. 03/2015-2020	09.05.2018	Enlistment as designated port in para 2.54 (d) (iv) HBP2015-20	DGFT inserts the name of Krishnapatnam port in Para No. 2.54 (d) (iv).	http://dgft.gov.in/Exim/2000/PN/PN18/pn%203(e).pdf
(4)	Public Notice No. 02/2015-2020	01.05.2018	Amendments in Table 2 of Appendix 3B Foreign Trade Policy 2015-20	DGFT has made amendments in Table 2 of Appendix 3B notified through Public Notice No. 02/2015-2020 dated 01.04.2015.	http://dgft.gov.in/Exim/2000/PN/PN18/PN-2-english.pdf
(5)	Public Notice No. 01/2015-2020	26.04.2018	Onetime condonation under the EPCG Scheme -Extension till 30.09.2018.	Extended the time of receipt of requests for the EPCG Scheme till 30th September, 2018.	http://dgft.gov.in/Exim/2000/PN/PN18/PN%201%20Eng.pdf
(6)	Trade Notice No.8/2018-19	15.05.2018	Amendments in Appendix 3B of the Foreign Trade Policy 2015-20.	Public Notice No. 33 dated 23.10. 2017 applies to allcrips issued under Chapter 3 of (FTP) 2015- 2020 irrespective of the FTP period.	http://dgft.gov.in/Exim/2000/TN/TN18/Trade%20Notice%208.pdf
(7)	Trade Notice No.3/2018-19	25.04.2018	Applicability of provisions of para 2.20 of HBP, 2015-20 on Advance Authorisations issued under 2009-14, FTP	Regional Authorities may allow revalidation of Advance Authorisation/ DFIA, under the provisions of Para 2.20 of HBP, 2015-2020, even if Authorisation is issued under FTP,2009-14 provided conditions stipulated in the said Public Notice are fulfilled.	http://dgft.gov.in/Exim/2000/TN/TN18/Trade%20Notice%20No.%203.pdf
(8)	Trade Notice No.2/2018-19	24.04.2018	Camps for Export Obligation Discharge Certificate (EODC) cases	A camp has been set up for quick closure of EODC cases from 27th April, 2018 to 04th May, 2018 in the O/o ADGFT, Mumbai, from 11.00 AM -12.30 PM &3.00 PM- 4.30 PM.	http://dgft.gov.in/dgftmumbai/html/trmum/FY19/TN0219.pdf

MINISTRY OF FINANCE					
CBEC – CUSTOMS					
S. No	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Notification No. 41/2018-Cus (NT)	14.05.2018	Customs Brokers Licensing Regulations, 2018	These regulations may be called the Customs Brokers Licensing Regulations, 2018 & they shall come into force on the date of publication in the Official Gazette.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt41-2018.pdf
(2)	Notification No. 38/2018-Cus (NT)	11.05.2018	Sea Cargo Manifest and Transhipment Regulations, 2018	These regulations may be called the Sea Cargo Manifest an d Transhipment Regulations, 2018 & these regulations shall come into force on 1st August, 2018.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt38-2018_New.pdf
(3)	Notification No. 36/2018-Cus (NT)	11.05.2018	Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018	These regulations may be called the Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018 & shall come into force on the date of their publication in the Official Gazette.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt36-2018.pdf

(4)	Notification No. 35/2018-Cus (NT)	03.05.2018	Exchange Rates Notification No.35/2018-Custom(NT) dated 3.5.2018	CBEC notifies the exchange rate of conversion of each of the foreign currencies into Indian currency or vice versa relating to import and export of goods. w.e.f. 04.05.2018..	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt35-2018.pdf
(5)	Notification No. 33/2018-Cus (NT)	19.04.2018	Exchange Rates Notification No.33/2018-Custom(NT) dated 19.4.2018	CBEC notifies the exchange rate of conversion of each of the foreign currencies into Indian currency or vice versa relating to import and export of goods. w.e.f. 20.04.2018..	http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt33-2018.pdf
(6)	Circular No. 10/2018	24.04.2018	Import of EOUs/EHTP/STP /BTP without payment of duty following Rule 5 of Customs (Import of Goods at concessional rate of Duty) 2018 -Clarification	EOUs are required to provide information in duplicate regarding estimated quantity and value of goods to be imported to Jurisdictional DC/AC of Customs.	http://www.cbec.gov.in/resources//htdocs-cbec / customs/cs-circulars/cs-circulars - 2018/circ10-2018cs.pdf;jsessionid = 11BD783BCE0BC576944DF0B13201E6A4
(7)	Circular No. 9/2018	19.04.2018	Classification of remnant fuel & oils	Import of remnant fuels referred to in para 2 (d) of Board Circular 37/96-Customs would not be subject to any policy condition under Chapter 27 prior to 20.05.205.	http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2018/circ09-2018cs.pdf

MUMBAI CUSTOMS

S. No	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 69/2018	26.04.2018	Standard Unit Quantity Code (UQC)	All officers and staff of Customs are directed to ensure the following – a) Only the correct and prescribed Standard UQC as per the Customs Tariff Act, 1975 is mentioned in Bills of Entry. b) The description contained in Bill of Entry is comprehensive and indicates all relevant parameters like make, model, grade, quality, specifications, brand name etc., so as to significantly improve EDI data quality and combat the menace of mis-declaration of description and under valuation.	http://www.mumbaicustomszone1.gov.in/writereaddata/images/publicnotice/Final_PN_69.pdf
(2)	Public Notice No. 65/2018	19.04.2018	Compliance of E-Waste (Management) Rules, 2016	For the sake of easy reference, important provisions of said “E-Waste (Management) Rules, 2016” in relation to Import and Export are reproduced.	http://www.mumbaicustomszone1.gov.in/writereaddata/images/publicnotice/PN_65.pdf
(3)	Public Notice No. 64/2018	19.04.2018	Compliance of provisions of the E-waste Management Rules, 2016 issued by the Ministry of Environment, Forest and Climate Change	Attention of of members of trade is invited to the provisions of the notification dated 23.03.2016 issued by the Ministry of Environment, Forest and Climate Change vide which E-waste Management Rules, 2016 has been implemented.	http://www.mumbaicustomszone1.gov.in/writereaddata/images/publicnotice/PN_64.pdf

SAHAR AIR CARGO CUSTOMS

S. No	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice no. 66/2018	11.05.2018	Downtime of ICES system on 12.05.2018 from 08:00 AM to 12:00 AM	IT Infrastructure installed at ACC, Mumbai was under maintenance from 08.00 AM to 12.00 AM on 12.05.2018.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2018/PN%2066_2018.pdf
(2)	Public Notice no. 65/2018	08.05.2018	Abolition of Group 7 and other export related developments-	Group Vii has been discontinue in ICES w.e.f. 08.05.2018.only the Bills of Entry filed before this date & pending assessment shall be available in the erstwhile group.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2018/PN%2065_2018.pdf

(3)	Public Notice no. 63/2018	20.04.2018	RMS Application Migration	It has been informed that the IT infrastructure on which the customs applications are running would not be available to the trade users, participating government agencies and CBEC Officials from 22:00 hours on 21.04.2018 to 09:00 hours on 22.04.2018. Hence, the filing of declarations (Bill of Entry, Shipping Bill, Import General Manifest and Export General Manifest) would be halted at 22:00 hours on 21.04.2018.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2018/PN63_2018.pdf
(4)	Public Notice no. 62/2018	17.04.2018	Drawing of samples for the purpose of grant of drawback Circular 47/2017- Customs dated 27.11.2017	Board has decided to rescind the earlier Circular Nos. 34/95-Cus dated 06.04.1995, 57/97-Customs dated 31.10.1997 and 25/2005-Customs (Amendment to Circular 57/97-Cus dated 31.10.1997), in order to further facilitate trade and enhance the ease of doing business,	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2018/Public_Notice%2062_2018.pdf

JAWAHARLAL NEHRU CUSTOM HOUSE

S. No	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice no. 78/2018	11.05.2018	Standard Operating Procedure' to be followed for Export and Import at Bharat Mumbai Container Terminal, JNCH	"Standard Operating Procedure" (SOP) to be followed for clearance of export consignments from BMCT parking plaza is prescribed in this Public Notice.	http://www.jawaharcustoms.gov.in/pdf/PN-2018/PN_078.pdf
(2)	Public Notice no. 76/2018	10.05.2018	Implementation of Export Transhipment Module for movement of export cargo from JNPT to gateway port in ICES	A software module for Export Transhipment (ETP) has been implemented in ICES for Transhipment of containers meant for exports from one Port/CFS to any other seaport (gateway port).	http://www.jawaharcustoms.gov.in/pdf/PN-2018/PN_076.pdf
(3)	Public Notice no. 74/2018	08.05.2018	Abolition of Group VII	Group-VII has been discontinued in ICES w.e.f. today, i.e. 08.05.2018. Only the Bills of Entry filed before this day and pending assessment shall be available in the erstwhile Group.	http://www.jawaharcustoms.gov.in/pdf/PN-2018/PN_074.pdf
(4)	Public Notice no. 69/2018	03.05.2018	Extension of facility of Direct Port Delivery to Top 1083 importers at JNCH-	In order to further promote DPD, which reduces dwell time and cost associated with import consignments, it has been decided to extend DPD permission to importers as mentioned in the Annexure-'A' enclosed to this Public Notice.	http://www.jawaharcustoms.gov.in/pdf/PN-2018/PN_069.pdf
(5)	Public Notice no. 67/2018	02.05.2018	Amendment in Para 1.05(b) of Foreign Trade Policy 2015-2020	DGFT has amended the provision in Para 1.05 (b) of the FTP (2015-20) on Transitional Arrangements.	http://www.jawaharcustoms.gov.in/pdf/PN-2018/PN_067.pdf
(6)	Public Notice no. 66/2018	02.05.2018	Import by EOU/EHTP/STP/BTP without payment of duty by Following Rule 5 of Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017	Board has clarified that the importer EOU need not get prior approval of the information submitted under sub-rule (1) (a) of Rule 5 of Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017 from Jurisdictional DC/AC of Customs for duty free import at the Custom Station of importation.	http://www.jawaharcustoms.gov.in/pdf/PN-2018/PN_066.pdf
(7)	Public Notice no. 64/2018	20.04.2018	List of pending Advance Authorisations	The list of pending Advance Authorisations given in Annexure-'A' of the Public Notice.	http://164.100.155.199/pdf/PN-2018/PN_064.pdf
(8)	Public Notice no. 60/2018	17.04.2018	Duty payment through various duty credit scrips issued under Chapter 3 of FTP- 2015-2020	It has been decided by the Competent Authority- 1) Once importer declares the intention to use Duty Credit Scrip, during filing of Bill of Entry, he will not be allowed to change that option at assessment stage. 2) If the duty payable as per the Bills of Entry is more than whole amount available in the scrip/s, then whole amount available in the scrip/s needs to be used for payment of duty. 3) If the duty payable as per Bill of Entry is less than the credit amount available in scrip/s, then total duty amount needs to be paid by using scrip/s.	http://164.100.155.199/pdf/PN-2018/PN_060.pdf

MINISTRY OF TEXTILES					
O/O TEXTILE COMMISSIONER					
S. No	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Circular No. 2 (2018-19 series) under ATUFS	26.04.2018	Amended Technology Up gradation Fund Scheme (A- TUFS).	O/o Textile commissioner has directed that all the applications for extending the timeline for JIT upto 2 years will be submitted only by using i-ATUFS software so that the same can be processed with First in First out (FIFO) feature, as it will ensure transparency in processing these applications.	http://storage. unitedwebnetwork.com/files/63/ f33bf a58349010d2b264b6a 1465af326.pdf
(2)	Circular No. 1 (2018-19 series) under ATUFS	10.04.2018	Entitlement of Machinery Manufacturer under ATUFS	The list of Certifying Bodies and Accreditation Agencies as per Circular No. I of (2017-2018 series) dated 26.04.20t7 & circular No. 6 of (2017-2018 series) dated t4.07.20r7 is now expanded.	http://txcindia.gov.in/tufs_home/ Circular%20No.%201%20 (2018-19%20series)%20 dated%2010.04.2018%20 under%20ATUFS.pdf

GST RELATED NOTIFICATIONS

CENTRAL TAX NOTIFICATIONS

(https://cbec-gst.gov.in/central-tax-notifications.html)

Notification No. & Date	Subject
22/2018-Central Tax ,dt. 14-05-2018	Seeks to waive the late fee for FORM GSTR-3B
21/2018-Central Tax ,dt. 18-04-2018	Notification seeks to make amendments (Fourth Amendment) to the CGST Rules, 2017.

Participation in 39th India Garment Fair, 29th India Home Furnishing Fair and 1st Silk Fair in Osaka, Japan from 18-20 July, 2018

India Trade Promotion Organization (ITPO) is organizing India Garment Fair (IGF) and India Home Furnishing (IHF) at Osaka, Japan from 18 to 20 July, 2018. For the first time ITPO is organizing India Silk Fair concurrently with the above twin Fairs.

The Participation fees is Rs.34000/- per sqm For India Garment Fair, Rs.32500/- per sqm

for India Home Furnishing Fair & India Silk Fair.

Interested members may directly contact Shri.Surinder Kumar, SM, India Trade Promotion Organization (ITPO), E-mail : ksurinder@itpo.gov.in ; info@itpo.gov.in ; Mobile : 9810960930 / 011-23371492 for participation in the above Events under intimation the Council.

PARTICIPATE IN SOURCE INDIA 2018, SURAT, 28TH TO 30TH SEPT'18

After the success of 1st edition of the Reverse Buyer Seller Meet (RBSM), called: **Source India,** Surat during August 2016, SRTEPC is now geared-up to organize the 2nd edition of Source India 2018 at **Surat International Exhibition & Convention Centre (SIECC)** from 28th to 30th September, 2018. The 3-day mega Textile Show, approved by the Ministry of Commerce, Govt. of India, will be organized by the Council under the **MAI Scheme** of our Govt.

A Standard size of furnished booth of 9 sqm (3m x 3m) will cost Rs.1,00,000/- + GST. Raw Space to make customized booths is also available @ Rs.10,000/- per sq. mtr. + GST. During the program, the Council will invite around 200 buyers from more than 40 leading Countries of textiles based in Asia, Africa, Middle East & Gulf, Latin America, CIS Countries, and Europe to visit Source India. Besides this, more than 500 buyers of Textiles/Garment producers/Wholesalers/Textiles Agents including Senior Executive of Foreign Buying Houses/ Retail Chain Stores in India will also be invited.

Fashions Shows, Theme Pavilion, Seminars/Workshops etc. will be organized on the sidelines of the mega Event of Textiles to add value to the program.

To confirm participation in the event, members will have to send an advance payment of Rs.50,000/- along with duly filled-in Application Form immediately. Balance payment must be made on or before 31st July 2018.

Members may take advantage of this excellent opportunity for participation in Source India in Surat to meet their prospective foreign customers in Surat by confirming their participation in Source India. Interested members may, therefore, send their duly filled-in **"Application Forms"** along with an advance payment of Rs. 50,000 (for each participant) by cheque/DD to be drawn in favor of **"The Synthetic & Rayon Textiles Export Promotion Council, Mumbai"** at the earliest. Balance payment should be sent on or before 31st July, 2018 to the Council. The amount of participation charges can also be paid to the Council through Bank transfer. For details of Bank transfer through RTGS/ NEFT, you may please refer our enclosed "Application Form". Kindly note that the **"Application Form" may be downloaded from Council's website www.srtepc.in. For further details members may also visit the site.**

Participation in International Exhibition & Conference on Technical Textiles – TECHNOTEX in Mumbai from 28th to 29th June 2018

The Federation of Indian Chambers of Commerce & Industry (FICCI), under the patronage of the Ministry of Textiles, is organizing the 7th edition of International Exhibition & Conference on Technical Textiles – TECHNOTEX 2018 at the Bombay Exhibition Centre, Mumbai from 28th to 29th June 2018.

TECHNOTEX 2018 is a focused exhibition for Technical Textiles in India, and it will project the latest technological developments in the Technical Textile Sector. More than 150 exhibitors are expected to take part in the Event. TECHNOTEX will also feature International Pavilions, State Pavilions, Product Show on Technical textiles, B2B & G2B Meetings, Reverse Buyer Seller Meet (RBSM), etc. Technical Textiles is a sunrise industry and has immense potential in the overseas markets. The Ministry of Textiles has also implemented major schemes for Technical Textiles to give the industry a major boost.

Technical Textiles is the fastest growing segment of the Textile Sector, and its potential has been acknowledged by Government and industry stakeholders alike. This platform created by the Ministry of Textiles and FICCI has been an enabler for linkages, technology transfer, exchanges of innovative ideas, joint ventures and showcase of what is happening around the globe in the field of Technical Textiles.

Technical Textiles are an important part of the Textiles Industry, and its potential is still largely untapped in India. With the increase in disposable income, the consumption of technical textiles is expected to increase. Thriving on end user segment growth and domestic consumption, the Indian technical textiles market has reached INR 1,16,000 Crores by 2016-17 at a year-on-year growth rate of 12%.

TECHNOTEX 2018 will pool in participants, visitors and other key decision maker from a diverse cross section of the technical textiles industry with a view to provide more innovative solutions, identify new business opportunities and create an environment congenial for growth.

Participation charges for a shell space (min. 12 sq. mtr) is Rs.12,000/- per sq. mtr. and for bare space, it is Rs.11,000/- per sq mtr. **A special discount of 35% on space charges only will be available to SRTEPC member-companies.** A catalogue entry of Rs.1000 per company will be additional. GST of 18% will be charged extra.

Since the participation in the event will offer an excellent opportunity to the manufacturers/exporters of technical textiles to further widen their business dealings by discussing business with invited foreign customers, it is requested to grab this opportunity by booking your booth with the special discounted price offered to the SRTEPC member-companies **at the earliest but not later than 30th May 2018.** For further details, members may like to visit the website www.technotexindia.in. You are also absolutely free to speak to us for our further clarification and information.

Index of Industrial Production (IIP)

(April-March 2017-18)

HIGHLIGHTS

- The Index of Industrial Production (IIP) in the month of March 2018 was higher by 4.4% over the index of March 2017.
- The cumulative overall growth of IIP during April-March 2017-18 registered a growth of 4.3% as compared to the same period of the previous year.
- The Index of Industrial Production for the month of March 2018 for the Textiles Sector declined by 2.0 % as compared to March 2017. There has been a cumulative fall of 0.5% in Textiles Sector during April-March 2017-18 over the corresponding period of 2016-17.
- The Index of Industrial Production for wearing apparel for March 2018 dropped by 18.6% and a fall of 11.0% during the period April-March 2017-18 over the corresponding period of the previous year.
- The Index of Industrial Production for the manufacturing sector has increased by 4.4% during the month of March 2018 while there was a cumulative growth of 4.5% during the period of April-March 2017-18 over the corresponding period of the previous year.

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

Industry code	Description	Percentage growth				
		April 2017	February 2018	March 2018	Apr-March 2017-18	Apr-March 2016-17
13	Textiles	2.1	2.2	- 2.0	- 0.5	-1.6
14	Wearing apparel	0.8	-4.7	- 18.6	- 11.0	17.1
10-32	Manufacturing	2.6	8.7	4.4	4.5	4.9
	General	3.1	7.1	4.4	4.3	5.0

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

E-WAY BILL SYSTEM NOW OPERATIONAL

Inter-state movement of goods to be smooth, swift & easy

E-Way Bill for Inter-state movement of goods (location of the supplier and place of supply are in different states) has become mandatory w.e.f 1st April, 2018.

The intra-state movement of goods under the e-way bill is already operational in Karnataka - the first state to do so - from 01st April, 2018. However, e-way bill for Intra-state movement of goods in the States of Andhra Pradesh, Gujarat, Kerala, Telangana and Uttar Pradesh has been implemented from 15th April, 2018.

E-Way Bill is an electronic way bill for movement of goods which can be generated on the e-Way Bill Portal. Transport of goods of more than Rs.50,000 (Single Invoice/bill/delivery challan) in value in a vehicle cannot be made by a registered person without an e-way bill.

It is important to know about the e-way bill rules for suppliers and transporters of goods.

IMPORTANT POINTS TO BE NOTED BY THE SUPPLIERS & TRANSPORTERS OF GOODS ON E- WAY BILL

(A) Supplier/ Recipients of goods

1) E-way bill for inter-State movement of goods has been implemented w.e.f. 1st April, 2018.

2) You can register on the portal of e-way bill namely http://ewaybillgst.gov.in by using your GSTIN.

3) E-way bill is to be generated only where the value of the consignment exceeds Rs. 50,000/- which includes tax, but doesn't include value of exempted goods.

4) For the movement of goods on account of job-work, the supplier or the registered job-worker is required to generate the e-way bill.

5) Supplier can authorize the transporter, courier agency and e-commerce operator to fill even PART-A of e-way bill on his behalf.

6) Only PART-A of e-way bill is required to be filled, if the distance between the principal place of business of the supplier to the place of business of the transporter is less than 50 Km, PART-B of the e-way bill is not required.

7) The time period for the recipient to communicate his acceptance or rejection of the consignment would be the validity period of the concerned e-way bill or 72 hours, whichever is earlier.

8) When goods are transported by railways / air/ vessel, the e-way bill shall be generated by the registered supplier/ recipient only and not by the transporter, but e-way bill is required to be produced at the time of delivery of goods.

9) E-way Bill number can be assigned by supplier/ recipient or transporter to another registered or enrolled transporter.

10) E-way Bill can be generated through various modes like Web (Online), Android App, SMS, using Bulk Upload Tool and API based site to site integration, etc.

(B) Transporters Of Goods

1) You can register on the portal of e-way bill namely http://ewaybillgst.gov.in by using your GSTIN. If you don't have GSTIN, then you can enrol on the portal without GSTIN too.

2) No e-way bill is required if the value of the goods in an individual consignment is less than Rs. 50,000/-, even if the total value of all such consignments in a single conveyance is more than Rs. 50,000/-.

3) Railways have been exempted from generation and carrying of e-way bill. But railways are required to carry invoice or delivery challan etc. However, e-way bill has to be produced by the recipient before delivery of the goods by the railways.

4) If the goods cannot be transported within the validity period of the e-way bill, the transporter may extend the validity period in case of transshipment or in case circumstances of exceptional nature.

5) Transporters can generate consolidated e-way bills in FORM GST EWB-02.

6) Where the goods are transferred from one conveyance to another, details of conveyance should be updated by the transporter in PART B of FORM GST EWB-01.

7) Once verified by any tax officer, the same conveyance will not be subject to a second check in any State or Union Territory, unless and until, specific information concerning the same is received.

8) The validity of e-way bill is one day up to 100 km (20 km in case of Over-dimensional Cargo). For every 100 km or part thereof, it is one additional day. So if the distance to transport the cargo is 500 km, the transporters have 5 days to transport the cargo with valid e-way bill. Validity of one day will expire at midnight of the day immediately following the date of generation of e-way bill.

❖ **For more information on the e-way bill please visit the following website www.ewaybillgst.gov.in**

❖ **FAQS relating to E-Way Bill are available on the following Link:- https://goo.gl/ic94rE**

Source: Central Board of Indirect Taxes and Customs & Commercial Taxes Departments of States/Union Territories

APPLICATION REFERENCE NUMBER (ARN)

Introduction

Application Reference Number (ARN) is a unique number provided for doing any transaction at GST System Portal. It is created at the time of submitting enrollment application that is signed electronically or Digital Signature (DSC) at GSTN Portal. It can also be used in the future course of GST.

After submitting the enrollment application successfully at the GST System Portal, ARN number will be created automatically. It is used to check the registration status of GST and can also be used for all transactions under GST.

Documents Required for Application Reference Number (ARN)

One has to keep these basic set of documents handy while applying for the ARN, which is given below:

1) Directors or partners list along with their identification and address proof. It is necessary to mention the constitution of business entity.
2) Memorandum of Association (MOA)/ Articles of Association (AOA), Certificate of Incorporation, partnership deed.
3) PAN Card of Business Organization.
4) Cancelled cheque from bank account, which mentions account holder name, IFSC code, MICR and branch details of bank.
5) Rent agreement or electricity bill as a feature and document of area of business.

Process of GST ARN (Application Reference Number) in India

- You will be required to mention PAN, E- Mail Address and Mobile Number in Part A of Form GST REG–01 at the GSTN Portal or through Facilitation centre.
- Then, you will receive OTP on mentioned Mobile Number and E-mail address. After receiving OTP, PAN is verified at GSTN Portal.
- After submitting the applicant successfully at GSTN portal, you will be allotted ARN on the mentioned mobile number or e-mail. A confirmation message will be sent to you in FORM GST REG-02 electronically.
- After the confirmation message, you must have to provide all the information in Part- B of Form GST REG-01 and also mentioned the ARN.

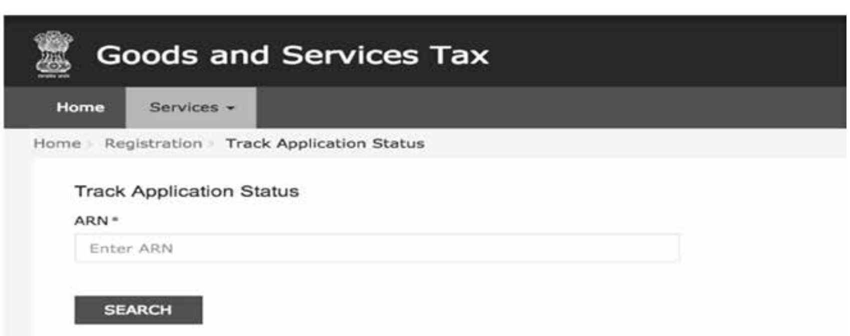
Steps to Check Registration Status by ARN

When the registration application is filled and submitted, an Application Reference Number (ARN) is generated. Here are the steps to track the GST registration status.

Step 1 – Go to GST Portal.

Step 2 – Go to 'Services' > 'Registration' > 'Track Application Status'.

Step 3 – Enter the ARN received by you on submitting GST Registration Application, Also enter the Captcha code and click on 'SEARCH'.



Status Meanings

Sr. No.	Status	Status Meanings
1	Pending for verification	• Application procedures have been completed and forwarded for verification.
2	Validation Against Error	• Mismatch in the details submitted by you at the time of making an application and the details as per the Income Tax Department.
		• The mismatch could be with first name, last name, PAN, etc.
		• You are then required to re-check match the details with those on the government website.
3	Provisional	• Your application is not still filed.
		• So, you are required to fill in the details correctly and submit.
		• However, the provisional ID has been issued to you.
4	Canceled	• The department has cancelled your registration request due to incorrect information.
5	Migrated	• The application has been successfully shifted under GST.

Source: https://blog.saginfotech.com/application-reference-number-gst-registration
https://www.hrblock.in/earlygst/gst-registration-arn-status/

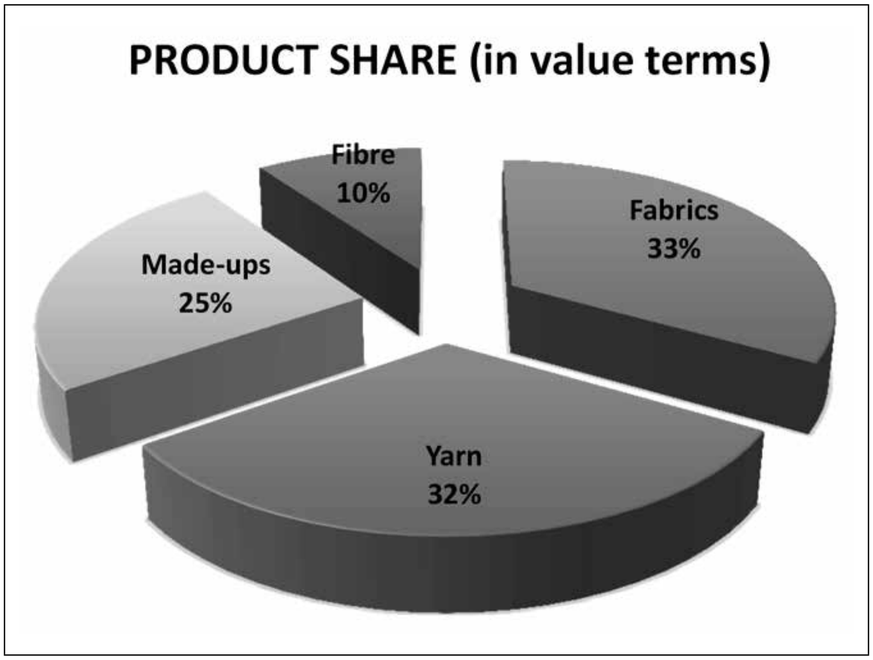
Calender of Events of SRTEPC for the year 2018-19 under MAI Scheme

Sr.No.	List of Events	Date/Month of the Events
1	Hong Kong Fashion Week for spring/ summer	9-12 July 2018
2	RBSM Surat	28th to 30th Sept 2018
4	TEXFUSION, UK	31st Oct & 1st Nov 2018
3	EXPOTEXTIL, Peru	8 to 11 November 2018
5	Colombiatex, Colombia	Jan-19
6	Morocco Style - International Textile & Accessories Fair, Morrocco	Mar-19

REVIEW OF INDIA'S MMF TEXTILES EXPORTS FROM APRIL-FEBRUARY 2017-18

Exports of Indian MMF textiles during April-February 2017-18 were US$ 5457.87 Million in value terms against US$ 5284.35 Million, witnessing a growth of 3.28% as compared to the same period of the previous year (SOURCE: MOC)

Product	Unit	in Quantity (Thousand)		% Grw Apr-Feb 2017	In Value USD Mn		% Grw/Decline
		Apr-Feb 2017-18	Apr-Feb 2016-17		Apr-Feb 2017-18	Apr-Feb 2016-17	
Fabrics	Kgs	70972.24	63642.93	11.52	1817.90	1822.16	-0.23
	Sqm	1496330.20	1502165.15	-0.39			
Yarn	Kgs.	903873.95	929411.12	-2.75	1746.69	1613.58	8.25
Made-ups	Kgs.	281483.61	238903.90	17.82	1359.39	1306.12	4.08
	Nos.	96722.03	128106.15	-24.50			
	Sqm	155.58	81.70	90.43			
Fibre	Kgs.	347161.66	376604.96	-7.82	533.89	542.49	-1.59
Total				**-1.30**	**5457.87**	**5284.35**	**3.28**



HIGHLIGHTS

- Overall exports in April-February 2017-18 in value terms were US$ 5457.87 million against US$ 5284.35 million, witnessing a growth of 3.28% as compared to the same period of the previous year.
- Exports of Fabrics dominated with 33% share followed by Yarn 32%, Made-ups 25% and Fibre 10% in the Indian MMF textile exports.
- Share of the value added segments like fabrics and Made-ups have increased to 58% of total exports.
- Except Fabrics (-0.23) and Fibre (-1.59) other segments witnessed positive growth in exports like Yarn 8.25% and made-ups 4.08%
- In the fabrics segment Synthetic Filament Fabrics (US$ 501.75 Mn) continued to be the top exported product in India's MMF textile exports followed by Polyester Filament Fabrics (US$ 414.64 Mn) and Polyester Viscose (US$ 292.14 Mn) during April-February2017-18.

- Synthetic Blended, Nylon Filament and Viscose Spun Fabrics exports have shown excellent growth with 47.28%, 43.41% and 19.63% respectively but Polyester Spun Fabrics exports have declined by 58.18%.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth US$ 1007.30 Mn followed by Polyester Cotton Yarn (US$ 153.39 Mn), Polyester Spun Yarn (US$ 144.74 Mn).
- Nylon Filament Yarns exports have been excellent with over 85.68% growths.
- In Made-ups, exports of Bulk Containers was the leading item with exports worth US$ 544.11 Mn followed by Shawls/Scarves and Muffler worth US$ 107.38 Mn and US$ 104.54 Mn respectively.
- Viscose Staple Fibre (US$ 253.64 Mn) was the leading item in the MMF category followed by Polyester Staple Fibre (US$ 231.08 Mn).
- USA was the leading market for Indian MMF textiles during April-February2017-18 with 10.53% share in total exports followed by Turkey 9.48% and UAE 6.41%.
- Leading markets with positive growth were Brazil (29.29%), Pakistan (10.07%) Italy (5.72%), Germany (4.48%), Bangladesh (2.73%) and UK (0.86%).
- UAE was the leading market to which exports declined during April-February2017-18.
- Bangladesh, UAE and USA were the leading markets for Indian MMF Fabrics during April-February2017-18 as compared to the same period of last year.
- USA was also leading market for Indian MMF Made-ups and Fibre during the period.
- Key markets for yarn were Turkey and Brazil.
- Made-ups exports to Pakistan showed an impressive growth rate (523.40%).

PRODUCT-WISE EXPORT PERFORMANCE APRIL-FEBRUARY2017-18

Value in US$ Million

Product Description	Apr-Feb 2017-18	Apr-Feb 2016-17	Net Change	% Grw/Dec
FABRICS (WOVEN+NON-WOVEN+KNITTED)				
Fabrics				
Synthetic Filament	501.75	434.00	67.75	15.61
Polyester Filament	414.64	437.07	-22.43	-5.13
Polyester Viscose	292.14	297.63	-5.49	-1.84
Polyester Blended	117.81	174.54	-56.73	-32.50
Viscose Spun	77.81	65.04	12.77	19.63
Synthetic Cotton	41.78	42.63	-0.85	-1.99
Polyester Wool	39.92	42.59	-2.67	-6.27
Viscose Blended	39.25	43.91	-4.66	-10.61
Polyester Cotton	35.98	37.48	-1.50	-4.00
Nylon Filament	20.68	14.42	6.26	43.41
Polyester Spun	17.74	42.42	-24.68	-58.18
Synthetic Blended	16.51	11.21	5.30	47.28
Other Fabrics	201.89	179.22	22.67	12.65
Total Fabrics	**1817.90**	**1822.16**	**-4.26**	**-0.23**
Yarn				
Polyester Filament	1007.30	912.23	95.07	10.42

Product Description	Apr-Feb 2017-18	Apr-Feb 2016-17	Net Change	% Grw/Dec
Polyester Cotton	153.39	147.11	6.28	4.27
Polyester Spun	144.74	135.49	9.25	6.83
Polyester Viscose	128.87	107.75	21.12	19.60
Viscose Spun	68.96	97.20	-28.24	-29.05
Viscose Filament	48.24	45.01	3.23	7.18
Acrylic Spun	41.35	43.64	-2.29	-5.25
Synthetic Spun	35.98	30.15	5.83	19.34
Polyester Wool	24.67	20.91	3.76	17.98
Nylon Filament	17.51	9.43	8.08	85.68
Viscose Cotton	10.48	11.19	-0.71	-6.34
Other Yarn	65.20	53.47	11.73	21.94
Total Yarn	**1746.69**	**1613.58**	**133.11**	**8.25**
Made-ups				
Bulk Containers	544.11	416.97	127.14	30.49
Shawls/Scarves	107.38	132.54	-25.16	-18.98
Muffler	104.54	184.97	-80.43	-43.48
Motifs	74.41	74.34	0.07	0.09
Fishing Net	48.33	43.03	5.30	12.32
Blanket	30.14	30.89	-0.75	-2.43
Rope	22.86	35.50	-12.64	-35.61
Bed Linen	19.11	18.61	0.50	2.69
Bedsheet	16.93	14.06	2.87	20.41
Dress Material	15.10	12.12	2.98	24.59
Sacks and Bags	15.10	10.73	4.37	40.73
Furnishing Articles	12.18	9.25	2.93	31.68
Other Made-ups	349.20	323.11	26.09	8.07
Total Fibre	**1359.39**	**1306.12**	**53.27**	**4.08**
Fibre				
Viscose Staple	253.64	286.73	-33.09	-11.54
Polyester Staple	231.08	199.11	31.97	16.06
Acrylic Staple	31.06	35.70	-4.64	-13.00
Other Fibre	18.11	20.95	-2.84	-13.56
Total Fibre	**533.89**	**542.49**	**-8.60**	**-1.59**

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

Synthetic Filament: HS Codes 54077200, 54072090, 56031200, 54077400, 54079400, 54079200

LEADING MARKETS

Value in USD Mn

Markets	Apr-Feb 2017-18	Apr-Feb 2016-17	Net Change	%Grw/ Decline
USA	575.23	519.68	55.55	10.69
TURKEY	517.71	422.64	95.07	22.49
UAE	350.02	524.68	-174.66	-33.29
BANGLADESH	344.82	335.66	9.16	2.73
BRAZIL	309.58	239.44	70.14	29.29
GERMANY	161.98	155.04	6.94	4.48
SRI LANKA	152.34	153.49	-1.15	-0.75
UK	149.95	148.67	1.28	0.86
ITALY	147.68	139.69	7.99	5.72
PAKISTAN	126.73	115.14	11.59	10.07

MAJOR MARKETS FOR MMF FABRICS

Value in USD Mn

Markets	Apr-Feb 2017-18	Apr-Feb 2016-17	Net Change	%Grw/ Decline
BANGLADESH	203.83	186.54	17.29	9.27
UAE	195.45	309.99	-114.54	-36.95
USA	150.24	146.45	3.79	2.59
SRI LANKA	124.47	121.47	3	2.47
PAKISTAN	60.6	60.97	-0.37	-0.61
UK	56.35	58.56	-2.21	-3.77
SAUDI ARABIA	41.31	24.55	16.76	68.27
EGYPT	31.55	30.39	1.16	3.82
ITALY	22.48	21.78	0.7	3.21
BELGIUM	18.59	18.59	0	0.00

MAJOR MARKETS FOR MMF YARN

Value in USD Mn

Markets	Apr-Feb 2017-18	Apr-Feb 2016-17	Net Change	%Grw/ Decline
TURKEY	435.95	339.08	96.87	28.57

BRAZIL	287.68	225.82	61.86	27.39
BANGLADESH	90.62	105.66	-15.04	-14.23
EGYPT	79.33	72.35	6.98	9.65
USA	58.69	56.26	2.43	4.32
BELGIUM	40.13	42.89	-2.76	-6.44
PAKISTAN	28.36	26.53	1.83	6.90
ITALY	22.88	23.17	-0.29	-1.25
GERMANY	20.75	19.25	1.5	7.79
SRI LANKA	19.18	20.59	-1.41	-6.85

MAJOR MARKETS FOR MMF MADE-UPS

Value in USD Mn

Markets	Apr-Feb 2017-18	Apr-Feb 2016-17	Net Change	%Grw/ Decline
USA	285.23	238.76	46.47	19.46
UAE	138.24	200.16	-61.92	-30.94
GERMANY	114.71	107.65	7.06	6.56
ITALY	84.61	80.21	4.4	5.49
UK	77.83	76.34	1.49	1.95
BELGIUM	26.8	23.47	3.33	14.19
PAKISTAN	22.38	3.59	18.79	523.40
SRI LANKA	8.64	10.44	-1.8	-17.24
TURKEY	8.02	8.08	-0.06	-0.74
BANGLADESH	7.17	5.14	2.03	39.49

MAJOR MARKETS FOR MMF FIBRE

Value in USD Mn

Markets	Apr-Feb 2017-18	Apr-Feb 2016-17	Net Change	%Grw/ Decline
USA	81.07	78.21	2.86	3.66
TURKEY	62.59	68.26	-5.67	-8.31
BANGLADESH	43.2	38.32	4.88	12.73
ITALY	17.71	14.53	3.18	21.89
BELGIUM	16.81	14.94	1.87	12.52
PAKISTAN	15.39	24.05	-8.66	-36.01
GERMANY	13.14	14.98	-1.84	-12.28
EGYPT	11.47	11.52	-0.05	-0.43
BRAZIL	10.94	6.96	3.98	57.18
UK	2.98	3.18	-0.2	-6.29

Continued from page 1

First of its kind "GST Camp" Launched by SRTEPC in Mumbai

Camp commenced with a welcome address delivered by Shri Ronak Rughani, Vice Chairman of SRTEPC. From the Government side, the Council invited Shri Arivazhagan, Joint Commissioner-GST (Refunds) of Mumbai South. Shri Arivazhagan flagged off the "GST Camp" with the presence of Shri Rughani, Vice Chairman and other members present at the Camp.

During the Camp, Shri Rughani, Vice Chairman jointly with Shri Arivazhagan, Joint Commissioner-GST (Refunds) of Mumbai South zone interacted with the members on queries raised by them. Some of the major issues raised by member-exporters were on:

- IGST/ITC refunds that is blocking substantial amount of their working capital and has put the exporters into financial hardships thereby disrupting their efforts to step up exports.
- One of the most common reasons pointed out was the delay in refunds due to mismatch of data between the GST forms and shipping bills.
- Some members raised the query that they had wrongly entered the figures in Table 3.1 (A) of GSTR 3B instead of entering it under Table 3.1 (B) of GSTR 3B and hence it showed error thereby unable to rectify this error.
- GSTN Validation was held due to the error occurred as the figure is wrongly entered in Table 3.1 (A) of GSTR 3B instead of Table 3.1 (B) of GSTR 3B due to which the integration of GSTR data with ICEGATE is not possible and hence refund cannot be processed manually.

The Joint Commissioner assured the members present that he would look into pending issues and other GST related matter and try to resolve them at the earliest. Some of the Members have also handed over representations written through the Council to Shri Arivazhagan, Joint Commissioner-GST (Refunds).

Shri Arivazhagan also added that GST Seva Kendras are set up in different ranges and divisions. Hence, based on the applicable jurisdiction locality, the taxpayer can contact the nearest GST Seva Kendra. GST Seva Kendra can help the exporters with GST registration, GST migration, GST return filing, GST queries clarifications, etc.. Taxpayers can walk-in to the Seva Kendras/Centre without an appointment or fix an appointment before approaching the Centre for help. They can choose the appropriate jurisdiction/location based on your pin code. It was informed that the GST Range officer will examine the query and furnish the Certificate which can be submitted to the Customs for refund or other processes.

The first day interactive session was a success and many of the queries of the exporters were answered.

The second day of the "GST Camp" began with a Power Point Presentation made by the M/s ZADN Associates on the current GST issues and the Services which they will be providing to the SRTEPC Members. The GST related services offered by the CA firm had package of both Free and chargeable services. Services such as On Call advisory (of routine nature), Registration & amendment, Letter of undertaking (LUT) renewal and new, E-way bill clarification, etc. are the Free Services being offered to the Member-exporters of SRTEPC through the "GST Camp". All the services offered during the above mentioned "GST Camp" both Free and with minimal charges are still available to the Member-exporters of SRTEPC. Those who are interested for the same are requested to contact this Council to avail these services.

This Council will be organizing such Camps on important issues such as GST, E-Way Bill, etc. in coming months also. All the Member-companies are requested to keep their contact details including E-mail IDs, contact Numbers, etc. updated with the Council. All the Members should participate in big numbers and take maximum benefit of the services offered by SRTEPC.

A view of the GST Camp in progress

SRTEPC's presence in 'Farm to Fashion' the Indian Global Textile Summit organized by GCCI

The Gujarat Chamber of Commerce & Industry (GCCI) had organized 'Farm to Fashion' the Indian Global Textile Summit from 4th May to 6th May 2018 at Ahmedabad,

The interactive session 'Yarn Industry – Growth driven by Innovation and Value Addition' in progress on 4th May 2018 at "Farm to Fashion", the Indian Textile Global Summit. Seen in the picture on extreme right, Shri Sri Narain Aggarwal, Chairman, SRTEPC, one of the speakers at the Interactive Session.

Gujarat. Hon'ble Union Minister for Commerce & Industry & Civil Aviation, Shri Suresh Prabhu was the Chief Guest. The Hon'ble Chief Minister of Gujarat, Shri Vijay Rupani was the Guest of Honor.

The Council was promoted as the Support Organization in all their marketing collateral and at the event. SRTEPC Chairman, Shri Sri Narain Aggarwal was invited as a Guest Speaker for the interactive session 'Yarn Industry – Growth driven by Innovation and Value Addition' held on 4th May 2018. The other eminent Industry stalwarts invited as Guest Speakers were Shri Ujwal Lahoti, Chairman, TEXPROCIL, Shri Bharat Bhushan Sharma, CEO, Yarn Division, Sintex Industries Ltd, Shri Neeraj Jain, Joint MD, Vardhaman Textiles Limited and Shri T.K. Sengupta. President, The Textile Association (India).

The moderator posed the following question to Chairman, SRTEPC, Shri Aggarwal – "As the Chairman of SRTEPC, what are your views on the opportunities for growth of the synthetic yarn industry and what are the challenges that the industry faces?

Shri Sri Narain Aggarwal in his reply stated that presently production of synthetic yarn in the country is nearly 3 lac tonnes per month. It is expected to grow at the rate of 9 to 10% in the coming years. The International trend is 70 to 72% manufacturing of synthetic yarn and 28 to 30% of cotton and other natural products. In India we are yet only at about 35 to 40% production of synthetic fibre textile products and this in itself presents a huge opportunity for this industry.

The Chairman then spoke of the Challenges being faced by the MMFT Industry. While appreciating all their support and policies till date for the benefit of the industry, he appealed to the Ministry of Textiles and the Govt. of India, to look into the set of problems that have been plaguing the industry for long. He said that currently no benefit is being provided uner TUF for melt yarn. He said that the States are not rebating the

Chairman, SRTEPC, Shri Sri Narain Aggarwal being felicitated with a garland and plaque at the Interactive Session at "Farm to Fashion", the Indian Textile Global Summit.

embedded taxes, although the Govt had clearly advocated that no taxes are to be exported.

He said that we are disadvantaged as a manufacturing nation because of our inherent higher costs, be it various central & state levies and taxes, interest costs, logistic costs, embedded taxes, electricity charges, cross subsidies, stamp duty, taxes on fuel etc which remain unrebated. For e.g the electricity charges including cross subsidies to produce 1 metre of cloth is almost Rs. 3 to 4 per unit. Similarly in case of fuel taxes in case of textiles which is 4.7% of total GDP. Tax on fuel is 0.73 % of the total GDP means portion of GDP allocated to textiles worth US$ 40 Million comes to around 2%. This also accounts to Rs 3 Per meter of fabric.

The introduction of GST has affected Spun Yarn exports adversely. He also said that the inverted duty structure which taxes Raw Material at 18% and Yarn at 12% results in accumulated credit for the Spinning sector and they have to run from pillar to post to get their refund. Similarly the Weaving sector buy by paying 12% duty and supply the value added product created by them at 5% duty and are unable to claim the credit for it. Same story applies to the processing sector, where duty is as high as 20 to 28% on raw materials but are able to charge only5% duty on the value that they create. They are left with a meagre margin of 3 to 5% and the irony is that they are not sure when they will get the refund. All of this has resulted in no new investments being made in these sectors on account of accumulated credit in the capital good. He stressed on the fact that despite repeated representation by SRTEPC to the Ministry of Textiles, there was no clear cut response although they have always lent a sympathetic ear.

As far as the MMFT Industry goes he felt huge opportunities in the Yarn and Fibre Weaving sector exist. More than 50000 looms have been automated with the latest technology. Area of concern is the processing sector, which he felt that we are very weak and cautioned that for higher growth of exports of value added products such as finished fabrics, this is an area that needs much improvement. In the Yarn segment he felt that we are as competitive as any other country in the world as our quality is on par with any.

When the moderator requested Chairman SRTEPC to give his vision for the industry, the Chairman replied that the Industry is growing well and moving towards higher growth despite the problems domestically. He reiterated that as the sole national body representing the interests of Manmade Fibre Textile Products stakeholders, SRTEPC has been aggressively pursuing the Govt to facilitate implementation of policies and framework for its growth. He also said that many changes in existing policy are required to be carried out at a quick pace as the future clearly belongs to MMFT.

View of the audience during the Interactive Session at "Farm to Fashion", the Indian Textile Global Summit

SRTEPC's representations to the Hon'ble Union Minister of Commerce & Industry and Civil Aviation, Shri Suresh Prabhu and Commerce Secretary, Smt. Rita Teaotia, IAS at the FIEO Session in Mumbai

The Federation of Indian Exporters Organization (FIEO) had organized an interactive session for Merchant Exporters in specific and Exporters in general with Hon'ble Union Minister of Commerce & Industry and Civil Aviation, Shri Suresh Prabhu and Commerce Secretary, Smt. Rita Teaotia, IAS, at the Taj Mahal Palace Hotel on 11th May 2018.

The Vice Chairman SRTEPC, Shri Ronak Rughani and the Executive Director SRTEPC, Shri S. Balaraju were among the first to make representations on behalf of the Council's members to the Hon'ble Union Minister and Commerce Secretary. Shri Ronak Rughani took the opportunity to place the following representation before them:

1. Stagnating and declining exports of Indian MMFT in the past 5 years, because we are unable to compete on account of higher and increasing input costs such as various central and state levies, accumulated Input Tax Credit, High Interest costs, high electricity charges and duties, stamp duties, high taxes on fuel etc which remain unrebated

2. Urgent policy intervention from the Govt on important issues related to ITC

   - Immediate refund of accumulated ITC on MMF Yarn, all types of Fabrics and fabric related to processing, dyeing and printing. Further value additions such as Embroidery & Made ups
   - Allow refund of accumulated ITC, wherever not permitted in the above
   - Refund of IGST on capital goods

Physical copies of the representations were handed over to them and also to Shri Ajai Sahai, Director General & CEO, FIEO for their kind consideration and action.

Shri Ronak Rughani, Vice Chairman, SRTEPC (Extreme right) seen at the Interactive Session for Merchant Exporters organized by The Federation of Indian Exporters Organization (FIEO).

Postal Regn. No. MCS/051/2018-20
Published on 20th & Posted on 26th of every month at Mumbai Patrika Channel Sorting Office

SRTEPC'S Services to Indian Exporters

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- Introduces Exporters to appropriate Overseas Buyers
- Provides up-to-date information and identifies potential markets for them
- Organises Export Promotion Programmes like Trade Fairs/Exhibitions, Buyer-Seller Meets in various overseas markets.
- Organising Reverse Buyer Seller Meets every year by which the overseas buyers are brought to India to discuss business with members
- Provides Grant for Market Access Initiative subsidy towards airfare for participation in promotional programmes like Exhibition/Fairs abroad (Member of the Council for the last year one year is a must)
- Conducts Workshops, Seminars to keep exporters abreast of latest development in policy/procedural matters, international trends, marketing strategies, government schemes, etc.
- Assist the exporters on Import-Export Policy and Procedures
- Resolve their problems about shipping and transport
- Maintain liaison with the Government authorities to convey the requirements of the industry and trade and help to bring about appropriate policy changes.
- Facilitates free display of samples at Council's Trade Centre in Mumbai and Surat frequented by overseas buyers and Trade Delegations
- Resolves problems of members connected with DGFT, Customs/Central Excise, GST, ROSL, Duty Drawback, Banking, ECGC, etc.
- Provides information on the trends for product development and adaptation to suit the overseas market requirements
- Issues export turnover certificates and certificate of origin.
- Visa facilitation to visit specified markets to discuss business with their target customers.
- Publication of Newsletter and regular circulars/letters to keep them aware of the activities of the Council and trade information.
- Collection and dissemination of Industry / Trade statistics to help members make their export strategy for export.
- Dissemination of information on foreign markets/emerging trends and trade enquiries
- Make them aware about different Anti Dumping duties as applicable in respective markets. From time to time also inform them about Sunset Reviews and give them timely information on questionnaire to be filled in, etc.

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