# SRTEPC WORLD

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The Synthetic and Rayon Textiles Export Promotion Council R.N.I. No. MAHENG/2020/79258 / Published on 20th January '22 (28 Pages)

# MEETING WITH HON'BLE MINISTER OF COMMERCE & INDUSTRY, TEXTILES, CONSUMER AFFAIRS & FOOD & PUBLIC DISTRIBUTION TO REVIEW THE EXPORT TARGET AND INPUTS FOR NEXT YEAR



A virtual meeting was held with the Hon'ble Minister of Commerce & Industry, Textiles, Consumer Affairs & Food & Public Distribution and other EPCs on Monday, 17<sup>th</sup> January, 2022 to discuss on General review of the export target for the current year and outlook for the next year. The meeting was attended by Shri Dhiraj Shah, Chairman, Shri Bhadresh Dodhia, Vice Chairman, Shri S.Balaraju, Executive Director and Shri Kripabar Baruah, Additional Director. SRTEPC Chairman updated the Minister on the latest export scenario pertaining to the MMF textile segment. It was informed during the meeting that exports were growing at a growth rate of around 75% during April-December 2021 and around 76% of the export target of USD 6139 million was given to the Council. The Vice Chairman added that SRTEPC has been on the right tract and likely to surpass the export target by around US\$ 200 million. He further added Government may help in setting up of international level processing houses with state-of-the-art processing facilities that will help in catering to the quality conscious markets including Japan, Korea Republic, EU, etc. He also requested during the meeting for Reinstatement of the earlier system of eBRC mandated for issue of the scrips with recourse clause for claiming and use of the RoDTEP scrips and validity of the scrips at least for two years, Continuation of the EPCG Scheme and Interest Equalisation Scheme, etc. After hearing the various suggestions given by the Vice-Chairman, the Hon'ble Minister has agreed to consider positively the same.

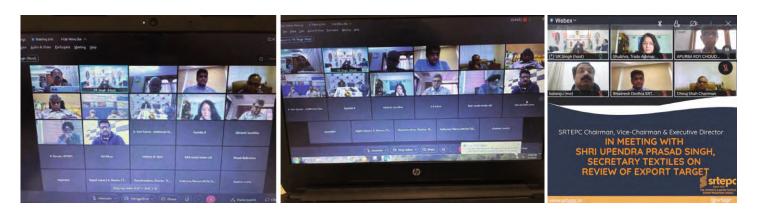




Reting with Export Promotion Councils of Textiles under the Chairmanship of Secretary (Textiles)

# Meeting with Secretary (Textiles) to achieve Export Target of US\$44bn set for FY 2021-22

A Meeting was held online under the Chairmanship of Secretary (Textiles), Shri Upendra Singh with Export Promotion Councils of Textiles on 05.01.2022 to discuss measures to promote export and modalities/plan to achieve the export target of US\$44bn set for FY 2021-22. The meeting was also attended by other senior officials of the Ministry of Textiles, The meeting was attended by SRTEPC Chairman, Shri Dhiraj Shah, Vice Chairman, Shri Bhadresh Dodhia Executive Director, Shri S.Balaraju & Additional Director, Shri Kripabar Baruah.

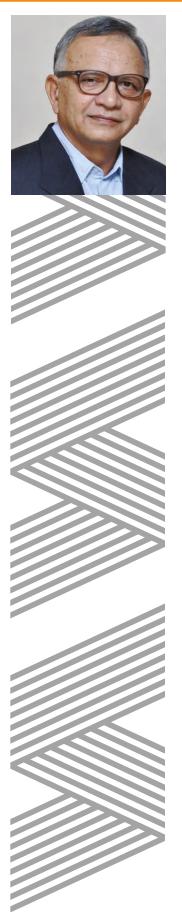


# Virtual Meeting with Joint Secretary (EP-Textiles), Department of Commerce to discuss Textiles Sector's Vision 2047

A virtual brainstorming session was organized by the Department of Commerce under the Chairmanship of Shri Amitabh Kumar, Joint Secretary (EP-Textile Division), Ministry of Commerce on 7<sup>th</sup> January, 2022. The meeting was attended by SRTEPC Chairman, Shri Dhiraj Shah, Executive Director, Shri S.Balaraju and Additional Director, Shri Kripabar Baruah. There were different thoughts on ways to develop institutional expertise and excellence including Government process re-engineering. It was also mentioned that we need to devise a system for institutional collaboration with foreign governments, international agencies and institutions, etc. As suggested by the Ministry, the Council had submitted a detailed note pertaining to MMF Textiles falling under the purview of the Council comprising of the issues including Government initiatives required, setting up of International Standard Processing Houses for MMF Textile Segment, more investment to be encouraged in value added textiles, reimbursement of entire taxes and levies paid by the exporters as only goods to be exported, projected exports by 2047, etc.







#### Dear Members,

A very Happy New Year 2022 to all our members; the Good News for this year is that exports were growing at a growth rate of around 75% during April-December 2021 and around 76% of the export target of USD 6139 million has been achieved.

I thank the Government for approving the Production Linked Incentive (PLI) Scheme for textiles which will promote production of MMF apparel, fabrics and even production of technical textiles. The PLI Scheme will attract new investments in the MMF textile segment and help the industry to create global leaders in the segment. A Webinar was organised by the Ministry of Textiles for interaction with industry representatives and it was quite fruitful as many queries were put forward by them while giving their feedback after the Guidelines of the Scheme.

Friends, I am pleased to inform you that the Ministry of Textiles is in the process of formulating a new scheme to replace the ongoing Amended TUFS, which will be valid up to 31.03.2022. The new scheme i.e. Textiles Technology Development Scheme (TTDS) shall be effective from 1<sup>st</sup> April, 2022. The new scheme shall give priority to textile machinery manufacturing and spinning modernization apart from giving subsidies to regular investments in other segments of the value chain. In this regard, the Council seeks inputs/valuable suggestions from members on the Proposed Scheme.

Here, I would like to mention that a virtual meeting was held on Discontinuation of the EPCG Scheme under the Foreign Trade Policy and my colleague, Shri Bhadresh Dodhia, Vice Chairman presented his views on why this Scheme needs to be continued and how it will hamper the growth of the MMF textile value chain if the Scheme is discontinued.

The virus is proceeding in waves, with countries succumbing – and set to recover – at different times. What is clear is that the virus and its aftermath look likely to be with us for some time. Despite this variant which came in during the beginning of the year, I think the members were quite encouraging enough by participating in the events of Latin American Countries, namely; Intermoda Mexico held from  $18^{th} - 21^{st}$  January, 2022 and Colombiatex, Medellin from  $25^{th} - 27^{th}$  January 2022.

I take this opportunity to thank the DGFT for giving another chance to the Members of Trade to submit applications till **31st January**, **2022** on DGFT Portal for Scrip based FTP Schemes as well as further extending the period for IEC updation till the said date. I once again urge all the members who have not done the needful to kindly avail the benefit extended by the DGFT at the earliest.

With reference to the queries received from our members on pending issues related to IGST refunds and Drawback claims. I am glad to inform you that our members have received their IGST refunds from JNCH and Hazira Customs as well as Drawback claims from Sahar Air Cargo. Members who were unable to update their IEC on DGFT Portal have been able to do so with Council's guidance. I would like to extend my sincere thanks to JNCH, Hazira Customs, Sahar Air Cargo and O/o DGFT for their continued support in resolving our members issues.

As you are aware the Council has been supporting its members by representing procedural and policy issues with various Govt. Authorities, I therefore request you to kindly write to us at ed@srtepc.in and srtepc@srtepc.in for representing your issues.

Dear friends, I once again request you to renew your membership for the year 2021-22 so that you will continue to receive Council's services without any disruption of your membership with the Council.

Yours sincerely,

DHIRAJ RAICHAND SHAH CHAIRMAN

SRTEPC WORLD

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#### INFO SRTEPC



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381	EPU	$(\alpha s)$	tepc	- Dec	23

The Department for International Trade (DIT), UK has confirmed that talks are set to kick-start early in 2022, with plans for early harvest agreements also in play. @SRTEPC and @Dhirubhaishah21 request @PiyushGoyalOffc @CIMGOI to negotiate an effective trade agreement

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#### SRTEPC @srtepc - Dec 27

India's textile & apparel exports have seen a 53% growth during the April-November period of the current fiscal year at around \$26 billion. There is tremendous business confidence & optimism under the vision of @narendramodi @DarshanaJardosh @PiyushGoyal.

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#### SRTEPC @srtepc · Dec 28

As India marches towards rise in exports by 36.2% to USD 23.82 bn landmark during December 1-21 this year under the dynamic leadership of @narendramodi @PiyushGoyal @DarshanaJardosh, #SRTEPC #Dhirubhaishah & @bhadreshmd request MMF Textile industry to plan for tech. upgradation

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#### SRTEPC @srtepc - Dec 31

India & Australia are expected to complete negotiations for an interim FTA soon, a move aimed at boosting economic ties between two countries.@Srtepc & @Dhirubhaishah21 request @PiyushGoyal to order for launching #BrandIndia promotion campaign in Australia economictimes.indiatimes.com/news/economy/f...

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## SRTEPC @srtepc · Jan 3

India and the UK are likely to launch formal negotiations for a free trade agreement (FTA). @srtepc & @Dhirubhaishah21 request @PiyushGoyal to negotiate an effective trade agreement to promote exports of MMF Fabrics & Technical Textiles to UK. economictimes.indiatimes.com/news/economy/f...

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#### SRTEPC @srtepc · Jan 4

Fieters The country's exports in December 2021 surged 37 per cent, the highest-ever monthly figure, on the back of healthy performance by sectors like engineering, textiles and chemicals. @srtepc & @Dhirubhaishah21 are hopeful that India will achieve the USD 400 billion merchandise

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SRTEPC @srtepc · Jan 6

#stepc #SRTEPC Chairman @Dhirubhaishah21, VC @bhadreshmd & ED @Sbalaraju5 had a meeting with hon'ble @UPSingh\_Jal alongwith Textile Export Promotion Councils for discussing measures to promote export and modalities/ plan to achieve the export target of US\$ 44 bn set for FY 2021-22. pic.twitter.com/eCSUrFTLXP

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SRTEPC @srtepc · Jan 10

A textile-processing company in central Japan city is courting popularity with its "upcycled" sustainable products using non-standard fabrics generated in manufacturing processes. @srtepc @Dhirubhaishah21 & @bhadreshmd congratulates @komatsumatere for this innovative idea

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#### SRTEPC @srtepc - Jan 10

#Textile Industry is about to witness the onset of its Golden Period as Honorable Union Minister of Textiles Shri @PiyushGoyal has initiated measures to substantially grow the #domestic #market as well as exports #AcheDin #KapdaUdyog epaper.enavabharat.com/article-10-jan... pic.twitter.com/11O8vM2vsO

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#### SRTEPC @srtepc · Jan 12

India flagged market access issues being faced by domestic players from several sectors in Korea and sought redressal of the matter with a view to boost bilateral trade ties. @srtepc @Dhirubhaishah21 & @bhadreshmd request @PiyushGoyal to negotiate effective review of the existing

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#### SRTEPC @stepc - Jan 15 Catalysing startup culture & building an inclusive ecosystem for innovation & entrepreneurship in India, @PMOIndia Shri @narendramodi Ji is interacting with Startups via video conferencing. #StartUps4NewIndia is scaling new heights & giving wings to millions of aspirations. pic.twitter.com/2I1PowQAeT

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SRTEPC @srtepc · Jan 15

Strengthening innovation. PM @NarendraModi ji interacts with over 150 #StartUps4NewIndia. Aim to understand how startups can contribute to nation building by providing critical solutions. pic.twitter.com/Inr8W8t5tk

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#### SRTEPC @srtepc - Jan 17

#SRTEPC Chairman @Dhirubhaishah21, VC @bhadreshmd & ED @Sbalaraju5 attending videoconference with Hon'ble @PiyushGoyal on export target and achievement. @Dhirubhaishah21 updated @CimGOI on the latest export scenario pertaining to MMF textile segment. Shri @bhadreshmd added that

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#### SRTEPC @srtepc - Jan 17

Shri @PiyushGoyal & his British peer @annietrev formally launched India-UK Free Trade Agreement Talks. @srtepc @Dhirubhaishah21 & @bhadreshmd looks forward to their upcoming meetings & request to promote exports of MMF Fabrics & Technical Textiles to UK. republicworld.com/india-news/gen...

SRTEPC @srtepc · 20h

As Government is focusing on incentivising investments across the textile value chain in the upcoming Budget, to achieve its aspirational target of a 3x growth in India's textile exports to USD 100 billion in five years.@srtepc @Dhirubhaishah21 @bhadreshmd request @PiyushGoyal

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#### SRTEPC @srtepc · 23h

A powerful & truly inspiring speech by PM @NarendraModi ji at the @WEF, #DavosAgenda 2022.

An impressive articulation of New India's vision for the whole world in the coming decades that will play a crucial role in green, clean, & sustainable growth for global prosperity. pic.twitter.com/510rHpfgVE

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#### **CHINA**

# China's textile firms expect more orders from ASEAN as RCEP enters into force

China's textile makers are more than ready for bigger orders. especially from Southeast Asian nations, since the Regional Comprehensive Economic Partnership (RCEP) deal officially took effect on January 1,2022. Shanghai-based fabric sales manager Li Haowei is one of them. Since the new year, Li and his team have been expecting a bigger demand for synthetic fibers from clothing factories in Southeast Asia. In 2021, Li and his team exported fabrics worth some US \$240 million, mainly to Bangladesh and Egypt. But for the new year, Li expects his clients from the Association of Southeast Asian Nations (ASEAN) members like Vietnam and Cambodia to increase their orders. "Chemical fibers are a part of the petrochemical industry, which is not a mature industry in Southeast Asia. Before RCEP, our chemical fiber prices were lower than theirs," said Li Haowei, a senior sales manager at Shanghai Foreign Trade, a subsidiary at Orient International Group. "With RCEP in force, prices will be much lower, so factories there will come to China for raw materials," said Li. ASEAN has already become China's largest textile importer. Many of the world's clothing factories are in Southeast Asia, but they depend on China for raw materials such as synthetic fibers and flax. In 2020, China's textile exports to the other 14 RCEP countries accounted for nearly 26 percent of its total. The Southeast Asian nations have been China's largest textile importers. "We had already had free trade agreements with RCEP nations. So Chinese manufacturing products are already exported to these areas. For instance, ASEAN countries have already become number one trade partners with China," said Xu Mingqi, a senior advisor at Shanghai Academy of Social Sciences. With RCEP, the relationship is expected to become more solid. Before RCEP, Vietnam's tariffs on Chinese chemical fiber were around 10 percent. Though the deal will be enforced in different phases, the two countries will gradually reduce that tariff to zero. That means bigger business opportunities for China's textile firms. And Li hopes he can travel to Vietnam to find clients if the pandemic is brought under control. "The clothing industrial chain in Vietnam has been developing rapidly. More than half of the listed firms there are clothing manufacturers. If we have the chance, we hope to promote our products in Vietnam," said Li. The total value of textile exports from RCEP member states accounts for more than half of the world's total. More dynamic ties between the textile industries in China and ASEAN are expected to bring more dynamism to global trade.

Source: CGTN News

#### **SWEDEN**

# Sweden's Renewcell uses Circulose in viscose filament yarn production

In collaboration with the leading Chinese viscose filament yarn producer Yibin Hiest Fiber Limited Corporation, Renewcell has successfully used 100 per cent Circulose dissolving pulp in industrial scale viscose filament yarn production. This new commercial partnership with Yibin has been facilitated by Renewcell's exclusive trading partner Ekman Group. While

viscose staple fibres made with Circulose have been commercially available since 2019, the filament development opens up additional product segments for 100 per cent Circulose fibres in activewear, as a substitute for polyester filament, and in luxury as a substitute for silk. Yibin, a CanopyStyle 'Green Shirt' ranked viscose staple fibre and viscose filament yarn producer based in China, has verified Circulose pulp for use at a 100 per cent concentration in industrial scale viscose filament varn production. The quality of the varn produced from 100 per cent Circulose by Yibin in December 2021 exceeds 'Superior Grade' according to Chinese National Standards of GB/T 13758-2008. This marks the first known industrial scale production of virgin quality viscose filament yarn made from 100 per cent recycled textiles, Renewcell said in a press release. "Our partnership with Renewcell and Ekman is an exciting and giant step," said Deng Min, president of Yibin Grace Group Co. Ltd. and Yibin Hiest Fiber Limited Corporation. "Circulose filament yarn made from 100 per cent recycled textile waste is a significant addition to our Made in Green product portfolio. There is a clearly increasing consciousness for more sustainable material in textile industry. I am convinced that by combining our expertise and knowledge, we will reduce carbon footprint and accelerate progress towards our ambitious goal of making fashion a closed loop." The development follows on the successful lab scale production of 100 per cent Circulose filament yarn in collaboration with the German research institute Fraunhofer in 2020. "I am delighted to expand the commercial Circulose portfolio to include filament yarn. I am also impressed by Yibin's innovation capacity and look forward to deepening our collaboration and start shipping Circulose filament yarn to brand partners in 2022. In Renewcell's endeavor to make fashion circular, we will keep working together with leading partners to prove the usefulness of Circulose in different textile applications," said Patrik Lundström, CEO of Renewcell.

Source: Fibre2Fashion News

#### **SRI LANKA**

# Sri Lanka's textile & garment exports all set to cross US \$5 bn in 2021

After registering a steep fall of 21 per cent year-on-year to US \$4.423 billion in 2020, textile and garment exports from Sri Lanka are likely to cross US \$5-billion mark in 2021, as the island nation has already earned US \$4.404 billion until October, growing at 20.8 per cent year-on-year, according to the statistics released by the Central Bank of Sri Lanka. Exports of garments were up 23.6 per cent year-on-year to US \$4.011 billion during the first ten months of last year, while textile exports increased by 37.3 per cent and fetched US \$285.5 million, the central bank said in its report 'External Sector Performance - October 2021'. Exports of other made-up textile articles fetched US \$107 million during January-October 2021, registering a huge decline of 44.2 per cent year-on-year, as per the latest figures released by the country's central bank. Textiles and garments exports accounted for 56.07 per cent of all industrial exports from Sri Lanka during the tenmonth period, the report showed. Imports of textiles and textile articles too rose by 31.2 per cent to US \$2.471 billion, while clothing and accessories imports were up marginally by 6.5 per cent to US \$176.6 million during January-October 2021. During



the month of October, Sri Lanka's earnings from textiles and garment exports surged by 42.5 per cent to US \$510.6 million, compared to exports of US \$358.2 million in the same month of 2020. Expenditure on textiles and textile articles jumped by 21.9 per cent year-on-year to US \$265.8 million, while clothing and accessories imports shot up by 54.8 per cent to US \$19.8 million. In 2020, Sri Lanka's clothing exports fetched US \$3.939 billion, a fall of 24.3 per cent over US \$5.205 billion in 2019. On the other hand, imports of textiles and textile articles decreased by 19.7 per cent to US \$2.335 billion.

Source: Fibre2Fashion News

#### USA

#### US textile & apparel exports up 18.62% in Jan-Oct 2021

The exports of textile and apparel from United States were up by 18.62 per cent year-on-year in the first ten months of last year. The value of exports stood at US \$18.803 billion during January-October 2021 compared to US \$15.850 billion in the same period of the previous year, according to data from the Office of Textiles and Apparel, US department of commerce. Category-wise, apparel exports increased by 27.05 per cent year-on-year to US \$4.988 billion, while textile mill products rose 15.85 per cent to US \$13.815 billion during the first ten months of 2021. Among textile mill products, yarn exports increased by 25.11 per cent year-onyear to US \$3.255 billion, while fabric exports were up 14.27 per cent to US \$7.193 billion and made-up and miscellaneous article exports grew 11.16 per cent to US \$3.365 billion. Country-wise, Mexico and Canada together accounted for nearly half of the total US textile and clothing exports during the period under review. The US supplied US \$5.251 billion worth of textiles and apparel to Mexico during the ten-month period, followed by US \$4.421 billion to Canada and US \$1.178 billion to Honduras. In recent years, the US textile and clothing exports have remained in the range of US \$22-25 billion per annum. In 2014, they stood at US \$24.418 billion, while the figure was US \$23.622 billion in 2015, US \$22.124 billion in 2016, US \$22.671 billion in 2017, \$23.467 billion in 2018, and US \$22.905 billion in 2019. However, the value decreased to US \$19.330 billion in 2020 due to the effect of COVID-19 pandemic. In 2021, it is likely that US textile and apparel exports would again cross the US \$22-billion mark.

Source: Fibre2Fashion News

#### VIETNAM

#### Garment and textiles face reality of fierce global rivalry

The high growth rate in the fourth quarter helped Vietnam's garment and textile sector complete its export target of US \$39 billion, equivalent to 2019. But Le Tien Truong, chairman at the Vietnam National Textile and Garment Group, said that the growth of 11.2 per cent compared to 2020 does not indicate an "improvement in market share". According to him, Vietnamese garment and textile groups "don't know what to do when the world stops and does not know what to do when the world trades again". The Vietnam Textile and Apparel Association (Vitas) has developed three growth scenarios for 2022. The most positive

scenario is to strive for an export turnover of up to US \$43.5 billion and the lowest would be a maximum of US \$39 billion.

Vu Duc Giang, chairman at Vitas, said that freight rates remain high, and there is a serious shortage of empty containers, and shopping demand could decline again if the pandemic continues to surge. The cost of transporting goods by air has increased fourfold, from around US \$4,250 per tonne to US \$17,000, which "has become a huge challenge for textile enterprises," Giang said. A survey by the Research Centre for Employment Relations found that only 16.7 per cent of buyers agree to share air freight costs with businesses with long-term contracts. Factories that act as intermediaries have also difficulty communicating with buyers. "Vietnam's garment and textile sector is facing severe competition to export to major markets, especially the EU and the United States," said Giang. Currently, China, Bangladesh, Cambodia, and Pakistan are the main competitors of Vietnam in exporting textiles to the world. All have a more complete domestic supply chain than Vietnam. Giang also worries, "Labour costs in Vietnam will continue to rise due to an increase in the annual base salary and the new insurance policy." Labour costs at garment companies in Bangladesh currently account for about 20 per cent of the cost of goods, while this figure in Vietnam is 26-30 per cent. Labour costs in Pakistan and Cambodia are also lower than in Vietnam. According to the US Office of Textiles and Apparel, Bangladesh currently ranks third in exporting ready-made garments to the US, up about 27 per cent over the same period in 2020. China's exports to the States reached US \$16 billion with a growth rate of 25 per cent, followed by Vietnam and Indonesia at 14 and 10 per cent, respectively. Many US importers are shifting towards suppliers from Vietnam's competitors after the production disruptions. The Bangladesh Knitwear Manufacturers and Exporters Association stated that garment exports to the US have continued to increase, with many buyers now turning to Bangladesh again. Meanwhile, India is also rising, with selfsufficiency in input materials such as cotton and yarn, reasonable labour costs, and an efficient supply chain. The Indian government has set the goal of increasing its export turnover for the textile industry to US \$80 billion by the 2024-2025 period. The Autonomous India programme and various other policies have come into play, helping the country's textile industry to recover quickly in 2021. In 2020, the pandemic caused that nation's textile and garment exports to decrease by 13 per cent compared to the previous year, only reaching US \$29 billion. According to the Indian Textile Association, its government decided to extend tax and refund schemes for textiles until March 2024 and speed up the implementation of other preferential programmes to provide credit subsidies for capital in the textile sector. Despite this harsh competition, Vietnamese garments and textiles could remain competitive if they make good use of existing advantages. For example, with the EU market, Vietnamese businesses could take advantage of the EU-Vietnam Free Trade Agreement to increase their market share. But Vinatex's Truong believed that businesses must be cost-competitive compared to Bangladeshi products, which have lower prices, and offer faster delivery than Turkish products, as these are closer to the EU's border. Vietnam annually exports about US \$5 billion to the EU, equivalent to about 2 per cent of the total import turnover of garments and textiles in that market. The global garment and textile sector is focusing on more efficient models to establish flexible relationships, with responsive suppliers, while the environment remains a priority.

Source: Vietnam Investment Review



# Govt issues guidelines for textiles PLI scheme worth Rs 10,683 crore

The Centre on Tuesday released the operational guidelines for the production-linked incentive (PLI) scheme for textiles. Under this, companies can begin the registration process from January 1-31, 2022, on the government's online portal. In case of insufficient number of eligible applications, the application window for selecting new applicants will be reopened. In their application, companies will have to inform the ministry of textiles regarding their annual investment plan, expected sales, turnover, expected employment generation as well as exports during the tenure of the scheme, according to the guidelines. Incentives worth Rs.10,683 crore will be provided over five years for manufacturing manmade fabrics, garments - jerseys, overcoats, trousers, polyester suitings and shirtings, among others. It will also be provided for technical textiles, which is a new-age textile that can be used for the production of PPE kits, airbags and bulletproof vests. It can also be used in sectors such as aviation, defence and infrastructure. The scheme obtained Cabinet approval in September and is focused on expanding man-made fabrics and technical textiles value chain to help India regain its dominant status in the global textiles trade. This comes at a time when India's share in global exports have gradually declined over the last few years. The scheme is operational from September 24, 2021 to March 31, 2030. It has been structured in a way so that the incentives will be paid for a period of five years only. Applicants will be finalised within 60 days from the date of closure of the application window. According to the guidelines, there are two types of investments possible with different sets of incentive structures. Under the first part, any company willing to invest a minimum Rs 300 crore in plant, machinery, equipment and civil works will be eligible. The company will be eligible to get incentives when it achieves at least Rs.600 crore turnover by manufacturing and selling products under the scheme. Under part 2, any company willing to invest a minimum Rs.100 crore in plant, machinery, equipment and civil works will be eligible. The company will be eligible to get incentives when it achieves at least Rs.200 crore turnover by manufacturing and selling. Under both parts, the required turnover will have to be achieved after a gestation period of two years. The gestation period will give the company participating in the scheme time to set up the manufacturing unit and begin production. Under the scheme, FY2022-23 to FY2023-24 will be the gestation period. While the performance years will be from FY25 to FY29, incentives can be claimed from FY26 to FY30. In order to avail incentives, minimum investment and minimum turnover criteria have to be met. "In case a participating company fails to achieve the prescribed turnover or 25 per cent increase in turnover over the preceding year's turnover, it will not get any incentive under the scheme for that year. Such participants will get incentives only when they achieve both, that is, the prescribed turnover target for the year and 25 per cent increase in turnover over preceding year's turnover, in subsequent years for a reduced number of years," an official statement said. Investments in land and administrative buildings such as offices and guesthouses will not be covered under the scheme. Recovery mechanisms and penal provisions have also been included under the guidelines. In case an excess claim has been made to any participant, the ministry of textiles can raise demand for recovery.

# Deferral of GST hike: Textiles sector pins hopes on better options

The GST Council's last-minute deferment of a proposed rate hike for lower-end textile items from the existing 5 per cent to 12 per cent, has given a reprieve to the industry. But units have their fingers crossed over what the final decision, expected by March this year, would be, as revenue generation and correction of inverted rates remain valid concerns for the government. "The committee looking into rate rationalisation, which has been tasked to review the rates for textiles as well, will try to ensure minimum pain for MSMEs while balancing it with the government's need to generate revenue and correct the inverted duty structure. The industry has proposed a number of alternatives, pointed out Sanjay Jain, Chairman, ICC National Textiles Committee. One is imposition of a uniform GST of 8 per cent on all items. "Another option is to maintain status quo till the fitment committee announces new slabs and then move the 5 per cent slab to closest new slab." Jain said.

#### 'Workable option'

Yet another proposal is to impose a 7 per cent GST on cotton garments, yarns and MMF fabric and a 12 per cent GST on MMF yarns and fibres. "This is a workable option as the value addition will take care of the inversion gap of 5 per cent in tax rates for MMF fabric. This will lead to a need for minimal or no refund. Otherwise, the whole chain will be free of inverted duty. Moreover, the government will get extra revenue," said Jain. An 'inverted duty structure' is one where there is a higher duty on inputs than finished products. This results in a need for a refund of unutilised input tax credit for the industry which affects companies' cash flows and the government's revenues. In the textiles sector, while MMF fibre and yarn attracted GST of 18 per cent and 12 per cent, respectively, a 5 per cent GST was applicable on all kinds of fabric. All types of garments had a GST levy of 12 per cent while garments below ₹ 1,000 attracted a lower 5 per cent. According to sources, the inversion in the duty structure resulted in annual refund amount exceeding ₹4,000 crore. "The amount is expected to grow, considering that in the first year (of GST implementation), refund of accumulated ITC was not allowed," the source explained. To correct the inverted duty structure in the textiles industry, the GST Council, in its meeting on September 17, 2021, proposed to raise the rates for textiles of any value to 12 per cent, effective from January 1, 2022. It also decided to lower the GST on MMF fibre to 12 per cent.

#### **Protests from MSMEs**

There was, however, a slew of protests from the MSME sector and various States, including Gujarat, Tamil Nadu, West Bengal and Rajasthan, against the rate hike for garments. "Higher GST was detrimental to consumers buying lower-end products. Majority of buying in India is below ₹ 1,000 for apparel. This could have resulted in lesser buying, thereby impacting traders and MSME manufacturers," said Animesh Saxena, President, Federation of Indian Micro & Small and Medium Enterprises. The GST Council, in its meeting on December 31, decided to defer the proposed rate hike and refer the matter to the rate rationalisation committee, which is expected to submit its report in February.

Source: The Hindu Business Line

Source: The Business Standard



# DGFT extends deadline for exporters to submit applications for pending dues to Jan 31

The government extended the last date for submitting applications to January 31, 2022 from December 31, 2021 for various export promotion schemes under the Foreign Trade Policy. The Directorate General of Foreign Trade (DGFT), in a notification, said that after January 31, 2022 no further applications would be allowed to be submitted and would become time-barred. For claiming pending refunds under merchandise exports from India Scheme (MEIS), the DGFT said that exporters can submit applications for exports made between July 1, 2018 to March 31, 2020 to December 31, 2020. For Services Export from India Scheme (SEIS), exporters can file applications for exports made during 2018-20.

As per the notification, textile exporters can file applications for exports made during March 7, 2019 to December 31, 2020 under Rebate of State and Central Taxes and Levies (RoSCTL). "The last date for submitting online applications under MEIS, SEIS, RoSCTL, ROSL and 2% additional adhoc incentive has been notified to be December 31, 2021," DGFT said.

Source: The Economic Times

#### India's textile exports up 14% YoY in Apr-Dec 2021

During April-December 2021, the total textiles, apparel and handicrafts exports were US \$29.8 billion as compared to US \$21.2 billion for the same period last year. This implies robust growth of approximately 41 per cent over last year. As compared to April-December 2019, textile exports increased by 14.6 per cent in April-December 2021. Textiles exhibited an increase in export of 31 per cent, cotton yarn/ fabrics/ made-ups, handloom products etc exhibited an increase of 43 per cent and jute products exhibited an increase of 33 per cent from April- December 2021 as compared to April-December 2019. Government has set the target of US \$44 billion for textiles, apparel and handicrafts exports and approximately 68 per cent of annual target has already been achieved. The last guarter of FY always has higher activity than the earlier guarters. Hence, industry is hopeful that targets will be duly met. Textile sector has continuously maintained trade surplus with exports manifold higher than imports. In FY 2020-21 there was a deceleration in textile exports due to pandemic disrupting the supply chain and demand. However, signs of recovery are visible in 2021-22, the Ministry of Textiles said in a press release.

Source: Fibre2Fashion News

# Indian textile exports can hit US \$65 billion if industry majors take the right steps

Indian textile exports can hit US \$65 billion if industry majors take the right steps and there is proper execution of government schemes, a joint report by global consulting firm Kearney and The Confederation of Indian Industry (CII) said. Exports declined by 3 percent during 2015–2019 and by 18.7 percent in 2020, the report observed and went on to add that during the same period, other low-cost countries such as Bangladesh and Vietnam have gained share. "We believe with the right actions from the industry majors and robust execution of government schemes, India can hit US \$65 billion in exports (implying 9-10% CAGR) by 2026. This, coupled with growth in domestic consumption, could propel domestic production to reach US \$160 billion. The report said a variety of factors have contributed to India's recent trade performance. India has factor cost disadvantages (example, power costs 30 to 40 percent more in India than it does in Bangladesh). Lack of free or preferential trade agreements with key importers, such as the European Union, United Kingdom, and Canada for apparel as well as Bangladesh for fabrics also puts pricing pressure on exporters. "The high cost of capital and high reliance on imports for almost all textiles machinery makes it difficult to earn the right return on invested capital, especially given India's slight cost disadvantage. Longer lead times than for Chinese manufacturers make India uncompetitive, especially in the fashion segment. For example, India's lead time is 15 to 25 percent longer than the competition in fabrics. Textile products hold a key position in the global value chain, with India being the world's fifth-largest exporter for apparel, home, and technical products. The Textile industry employs almost 45 million people in the farming and manufacturing sectors. However, the country's recent performance in global trade has not been commensurate with its abilities. "Covid-19 has triggered the redistribution of global trade shares and a recalibration of sourcing patterns ("China plus one" sourcing), providing a golden opportunity for Indian textiles to stage a turnaround and regain a leadership position as a top exporting economy. We believe India's textile industry should target 8 to 9 percent CAGR during 2019-2026, driven by domestic demand growth and significant growth in annual exports (reaching US \$65 billion by 2026)" Neelesh Hundekari, Partner and APAC Head of Lifestyle Practice at Kearney said. Achieving the \$65 billion exports target up from US \$36 billion in 2019-will require India to double down in the five key areas - apparel, fabrics, home textiles, man-made fiber and yarn and technical textiles. The path to achieving these targets will entail both government and industry taking crucial steps. And the government seems geared up for the challenge. "The recent launches of multiple schemes such as MITRA, PLI, RoDTEP highlights the strong government focus on this sector. It will be critical for the government to follow up these launches with efficient implementation and even more critical for industry players to leverage these schemes effectively," Jain said.

Source: The Economic Times

# Participate in 18<sup>th</sup> International Istanbul Yarn Fair, Turkey February 24-26, 2022

The Council is organizing participation of its member-companies in the 18<sup>th</sup>International Istanbul Yarn Fair, Turkey February 24-26, 2022 in association with the Embassy of India in Ankara, Turkey which is being supported by the Ministries of Textiles/Commerce & Industry under the MAI Scheme of Govt. of India. It will be a physical Exhibition and the Fair will be held at Tüyap İstanbul Fair and Congress Center, Büyükçekmece, Istanbul, Turkey. The participation fee is Rs.1.60 lakhs for a furnished stall of 9 sqm only. The Products on display will be Cotton Yarns, Natural Yarns, Elastane Yarns, Regenerated Yarns, Wool Yarns, Metallic Yarns, Viscose Yarns, Technical Yarns, Acrylic Yarns, Fancy Yarns, Polyester Yarns, Nylon Yarns, Silk Yarns, Hand Knitting Yarns, Polypropylene Yarn, Textured Yarns, Fibres, Regenerated Yarns, Bobbin, Spool, Reels, etc. Interested Indian companies are requested to hurry up and apply online by giving the details sought on the "Application Form" in the link (http://www.srtepc.org/gallery/view/149078) as there are only limited booths available. Payment for Participation may also be made through RTGS/NEFT transfer inthe Bank details given below:

- Name of the beneficiary
   The Synthetic & Rayon Textiles Export Promotion Council
- Name of the Bank & Branch : Union Bank of India, V N Road, Churchgate, Mumbai
- Bank Account No. : 319501010036617
- MICR Code : 400026021
- IFSC Code No. : UBIN0531952
- Council GSTIN No. : 27AAATT0077C1ZR

#### GIVEN BELOW IS THE MARKET REPORT ON TURKEY

#### TURKEY – ONE OF THE LEADING MARKETS FOR EXPORTS OF INDIAN MMF TEXTILES WITH STEADILY INCREASING EXPORTS

Turkey is a transcontinental country located in Southeastern Europe and Southwestern Asia bordering the Black Sea. Geographically, the Republic of Turkey is a bridge between Europe and Asia. Due to its location, surrounded by sea on three sides, Turkey has always been the centre of great trade, silk and spice routes. Turkey is one of the leading markets for Indian Man-Made Fibre Textiles. The exports to this market have been growing steadily and this trend has continued in the current year. It is expected that exports will further increase as the covid pandemic situation normalises.

#### **GROWING TEXTILE MARKET**

Turkey is a major supplier of Ready-made garments to the European countries. Despite the country is domestically producing raw materials and intermediaries like fibre, yarn and fabrics for its flourishing garmenting sector, these are inadequate and hence it imports substantial quantity of these textile materials. Thereby, offering big scope for sourcing fibres, yarns, fabrics, etc. from India. Turkey's total import of Textile and Clothing from the World was nearly US\$ 9 billion in 2020, in which import of textiles alone was about US\$ 7.55 billion, accounting for a share of around 83% of its global total T&C imports. There is further scope for increasing exports of Indian MMF textiles to Turkey. In the export basket of Indian MMF textiles to Turkey Yarns were the dominant products with 80% share followed by fibre 16%, fabrics 3% and made-ups 1%. Main countries which supplied MMF textiles to Turkey were China, India, Indonesia, Korea Rep. Malaysia, Germany, etc.

#### HIGHLIGHTS:

- Turkey is one of the leading markets for Indian man-made fibre textiles.
- Exports of Indian MMF textiles to Turkey during 2020-21 were around US\$ 380 million.
- Turkey's total global import of MMF textiles were around US\$ 4 billion during 2020 in which India's share is around 9%. There is scope to further increase our exports to Turkey.
- Yarn were the dominant products with 80% share followed by fibre 16% and fabrics 3% and made ups 1%.
- Imports of Textile & Clothing by Turkey from the world were US\$9 billion during 2020.
- India's share in total imports of Textile & Clothing of Turkey from the world is 6%, (around US\$ 533 million) in 2020.
- Textile imports of Turkey from the world account for nearly 85% (US\$ 7551 million) of its total T&C imports.
- Clothing imports of Turkey from the world account for nearly 15% (US\$ 1300 million) of its total T&C imports.
- Major Indian MMF textiles being exported to Turkey are Texturised yarn, Polyester Yarn, Viscose Rayon Yarn, Viscose staple fibres and Polyester Staple fibres, Polyester Viscose fabrics
- Major suppliers of MMF Textiles to Turkey are China, India, Indonesia, Korea Rep. Malaysia, Germany
- Hence, there is tremendous scope to increase India's exports to Germany and increase our market share.



#### Turkey's Textile and Clothing Imports from World during 2020

Value in USD Mn

Chapter	Product Description	Turkeys' imports from India in 2020	Turkeys' imports from world in 2020	% India's share
50	Silk	0.35	20.92	1.68
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	2.57	204.27	1.26
52	Cotton	108.05	2543.33	4.25
53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	2.39	359.67	0.67
54	Man-made filaments; strip and the like of man-made textile materials	226.36	1801.28	12.57
55	Man-made staple fibres	143.47	1309.08	10.96
56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	8.98	416.28	2.16
57	Carpets and other textile floor coverings	4.52	43.68	10.34
58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	3.23	131.12	2.46
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable	1.62	377.00	0.43
60	Knitted or crocheted fabrics	0.45	344.65	0.13
61	Articles of apparel and clothing accessories, knitted or crocheted	7.25	543.96	1.33
62	Articles of apparel and clothing accessories, not knitted or crocheted	19.63	749.04	2.62
63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	2.79	220.65	1.26
	Total	531.66	9064.92	5.87

#### Source: UN COMTRADE

Major Suppliers of Man-Made filament products cover under Chapter 54 to Turkey

Country	Imported 2020 (in USD Mn)
World	1801.28
China	589.93
India	226.36
Korea, Republic of	207.62
Malaysia	116.84
Italy	103.06
Egypt	99.04
Viet Nam	75.26
Indonesia	51.74
Germany	45.07
United Kingdom	40.59

# Major Suppliers of Man-Made Staple Fibre products cover under Chapter 55 to Turkey

Country	Imported 2020 (in USD Mn)
World	1309.081
Indonesia	196.224
China	184.502
India	143.47
Germany	116.912
Austria	104.492
Korea, Republic of	73.106
Egypt	68.089
Thailand	54.774
Malaysia	51.695
Italy	41.669

#### Major Import of textile products made out of Man-made filaments; strip and the like of man-made textile materials (covers under chapter 54) by Turkey

HS Code	Product label	Import during 2020 (In US\$ Mn)
540233	Textured filament yarn of polyester (excluding that put up for retail sale)	406.12
540246	Filament yarn of polyester, incl. monofilament of $< 67$ decitex, single, untwisted or with a	247.74
540761	Woven fabrics of yarn containing $>$ = 85% by weight of non-textured polyester filaments, incl	191.19
540247	Filament yarn of polyester, incl. monofilament of < 67 decitex, single, untwisted or with a	141.42
540244	Synthetic filament elastomeric yarn, single, untwisted or with a twist of <= 50 turns per metre	127.88
540752	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament	107.81
540245	Filament yarn of nylon or other polyamides, incl. monofilament of < 67 decitex, single, untwisted	53.94
540262	Multiple "folded" or cabled filament yarn of polyester, incl. monofilament of $< 67$ decitex	53.16
540231	Textured filament yarn of nylon or other polyamides, with a linear density of $<= 50$ tex per	49.67
540220	High-tenacity filament yarn of polyesters (excluding that put up for retail sale)	47.83



540751	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament	45.20
540331	Yarn of viscose rayon filament, incl. monofilament of < 67 decitex, single, untwisted or with	37.86
540211	High-tenacity filament yarn of aramids (excluding sewing thread and yarn put up for retail	32.73
540252	Filament yarn of polyester, incl. monofilament of $< 67$ decitex, single, with a twist of $> 50$	24.76
540419	Synthetic monofilament of $>= 67$ decitex and with a cross sectional dimension of $<= 1$ mm (excluding	23.09
540769	Woven fabrics of yarn containing $>$ = 85% by weight of mixtures of textured and non-textured	21.88
540490	Strip and the like, e.g. artificial straw, of synthetic textile material, with an apparent	18.86
540219	High-tenacity filament yarn of nylon or other polyamides (excluding sewing thread, yarn put	16.91
540720	Woven fabrics of strip or the like, of synthetic filament, incl. monofilament of $>= 67$ decitex	13.23
540110	Sewing thread of synthetic filaments, whether or not put up for retail sale	12.82
540822	Woven fabrics of yarn containing >= 85% artificial filament by weight, incl. monofilament of	11.99
540249	Synthetic filament yarn, incl. synthetic monofilament of < 67 decitex, single, untwisted or	11.45

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

#### Major Import of textile products of Man-made Staple Fibres covered under chapter 55 by Turkey

HS Code	Product label	Import during 2020 (In US\$ Mn)
550410	Staple fibres of viscose rayon, not carded, combed or otherwise processed for spinning	367.75
550320	Staple fibres of polyesters, not carded, combed or otherwise processed for spinning	182.89
550210	Artificial filament tow as specified in Note 1 to chapter 55, of acetate	86.85
550951	Yarn containing predominantly, but < 85% polyester staple fibres by weight, mixed principally	73.12
550130	Filament tow as specified in Note 1 to chapter 55, acrylic or modacrylic	69.31
550490	Artificial staple fibres, not carded, combed or otherwise processed for spinning (excluding	47.08
550810	Sewing thread of synthetic staple fibres, whether or not put up for retail sale	43.05
551011	Single yarn, containing $>$ = 85% artificial staple fibres by weight (excluding sewing thread	38.20
550922	Multiple "folded" or cabled yarn containing >= 85% polyester staple fibres by weight (excluding	36.26
550921	Single yarn containing >= 85% polyester staple fibres by weight (excluding sewing thread and	29.71
550330	Acrylic or modacrylic staple fibres, not carded, combed or otherwise processed for spinning	29.69
550311	Staple fibres of aramids, not carded, combed or otherwise processed for spinning	25.49
551511	Woven fabrics containing predominantly, but $< 85\%$ polyester staple fibres by weight, mixed	22.73
550953	Yarn containing predominantly, but $< 85\%$ polyester staple fibres by weight, mixed principally	20.65
550340	Staple fibres of polypropylene, not carded, combed or otherwise processed for spinning	20.21
551611	Woven fabrics containing $>$ = 85% artificial staple fibres by weight, unbleached or bleached	15.26
551012	Multiple "folded" or cabled yarn containing >= 85% artificial staple fibres by weight (excluding	13.46
551219	Woven fabrics containing >= 85% polyester staple fibres by weight, dyed, made of yarn of different	11.18
550390	Synthetic staple fibres, not carded, combed or otherwise processed for spinning (excluding	10.25
551229	Woven fabrics containing $>$ = 85% acrylic or modacrylic staple fibres by weight, dyed, made of	9.11
551641	Woven fabrics containing predominantly, but $< 85\%$ artificial staple fibres by weight, mixed	8.43
551090	Yarn containing predominantly, but < 85% artificial staple fibres by weight, other than that	8.43
550510	Waste of synthetic staple fibres, incl. noils, yarn waste and garnetted stock	8.27

#### Source: UN COMTRADE

Viscose Staple Fibre was one of the major MMF textile products imported by Turkey during 2020 followed by Polyester staple fibre and yarn of Polyester staple fibre, etc.



#### INDIAN MMF TEXTILES EXPORT TO TURKEY

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

					(Va	lue in USD Mn)
	Fabrics	Yarn	Made-ups	Fibre	Total	% Gr/Dec
2016-2017	8.16	373.81	8.90	71.83	462.70	
2017-2018	13.45	487.99	9.18	65.69	576.31	24.55
2018-2019	13.45	433.91	6.66	37.64	491.66	-14.69
2019-2020	13.62	419.97	6.18	43.27	483.04	-1.75
2020-2021	10.86	298.71	3.33	61.98	374.88	-22.39

SOURCE: MOC

#### India's main Items of export to Turkey during 2020-2021

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

#### IMPORT DUTY STRUCTURE OF TURKEY

HS Chapter/Subheading	Tariff Rate Range (%)
5003-5006	0 - 5
5105-5110	2 - 5
5204-5207	4 - 5
5306-5308	0 - 5
5401-5406/5501-5511	3.8 - 5
5007	3 - 7.5
5111-5113	5.3 - 8
5208-5212	8
5309-5311	4 - 8
5407-5408/5512-5516	8
60	6.5 - 8
5603	4.3
59	4 - 8
61-62	6.3 - 12
63	0 - 12
57	3 - 8
	5003-5006         5105-5110         5204-5207         5306-5308         5401-5406/5501-5511         5007         5111-5113         5208-5212         5309-5311         5407-5408/5512-5516         60         5603         59         61-62         63

Source : OTEXA

#### **Additional Import Taxes and Fees**

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

#### **Temporary Entry/Samples**

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

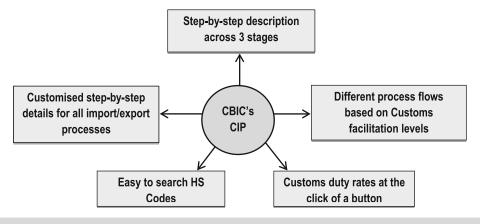
#### EXPORT PROMOTIONAL INITIATIVE OF THE COUNCIL

The Council, as part of its Promotional Programmes had organized successful Events/Exhibitions in Turkey with encouraging results. This time also the Council is organizing participation of its member-exporters in ISTANBUL YARN FAIR in Turkey from 24 to 26 February 2022 in association with Embassy of India in Ankara, Turkey. In view of this, the Council requests all its member-exporters to take advantage of this excellent opportunity by participating in big numbers in the Exhibition and develop/expand their export trade in Turkey.



# **CBIC'S COMPLIANCE INFORMATION PORTAL**

The Central Board of Indirect Taxes and Customs (CBIC) launched the Indian Customs Compliance Information (CIP) Portal on 04<sup>th</sup> August, 2021 to provide a free, easy and quick access to information on all Customs procedures and regulatory compliance for nearly 12,000 Customs Tariff Items. The portal can be accessed using the URL <u>https://cip.icegate.gov.in/CIP</u>.



#### FEATURES OF CIP

- This portal gives information on Customs procedures and compliance requirements for imports and exports,
- Provides contact details and web links of the Regulatory Agencies involved for each commodity, Customs Tariff Item wise.
- It also gives information on applicable Duties and Taxes on each commodity.
- PAN India map showing all the Customs seaports, airports, land customs stations etc.

#### HOW TO GET INFORMATION FROM THE CIP PORTAL?

To fetch the desired information from the CIP portal, the user needs to follow the following steps:

- 3.1. On the Home Page Enter the captcha displayed and click on "Proceed"
- **3.2.** The user will have two options:
- **Option 1:** If he **already knows the HS Code** enter at least 4 digits of the Customs Tariff Item of the commodity, followed by clicking on the "**Search**" tab.

The portal will display all the possible Customs Tariff Headings with first 4 digit of the HS code entered, along with the item description, respective Chapter Notes, Supplementary Notes and sub-heading notes. Here the user can select the appropriate 8-digit Customs Tariff Item.

**OPTION 2:** If the user is Not aware of the HS code of the commodity for which he is interested, he may enter the product description/key words, in full or part, followed by clicking on the "Suggest CTH" tab.

The portal will display all the CTHs with the key words entered along with item descriptions from which the user can select the appropriate 8-digit Customs Tariff Item.

3.3. Once, the 8-digit Customs Tariff Item is selected, the portal will ask the user to select the Import/ Export procedures for that particular Item, using the drop-down menu, the user clicks on the "Import Procedure" or "Export Procedure", a list of all the relevant Import/ Export procedures will be displayed from which the user will have to select the desired Import/Export Procedure and click on the process flow tab.

However, if the user is interested to know the duties and taxes, applicable against the tariff item selected, he may click on **"Know Duties"** Tab.

3.4. Clicking on the "Process Flow" tab, will lead the user to a page having three different tabs i.e. "Prepare", "Pre-Import" and "Import"-



In case of **Import Procedure** selected and "**Prepare**", "**Pre-Export**" and "**Export**" in case of **Export Procedure** selected. Also, a pop-up reflecting restriction or prohibition, if any, will be displayed on the screen.

- 3.5. The "Prepare" tab provides information about the requirement and procedure of obtaining
  - "Importer Exporter Code",

  - "Goods and Service Tax Registration" and
  - "Registration under Export Promotion Scheme".
- 3.6. The **Pre-Import** or **Pre-Export** tab provides information on requirement and procedure for obtaining "**ICEGATE Registration**", and requirement of documents such as
  - "Basic Supporting Documents",
  - "Overseas Documents", [Pre-Import/ Pre-Export License/ Permit/ Certificate and Other authorizations (LPCOs) from Partner Government Agencies (PGAs)].

The Pre-import step also provides -

- Details of the relevant statutory provisions under which pre-import Certificate/ Certifications i.e. LPCOs are required,
- Name of the PGA involved,
- Office address and weblink of the Partner Government Agency's website

(including weblink for online application of the LPCOs) along with specimen copy of the License/Permit/Certificate or Other authorizations.

3.7. The "Import" or "Export" tab provides details of steps under different situations. The situations depend on the risk attributed to the imported or exported goods by the Risk Management System. The four situations for Import or Export are: "No Assessment No Examination", "No assessment but examination", "Assessment but no examination" and "Assessment & Examination".

Based on the different situations of "Import" as well as of "Export", the steps such as "Integrated declaration & Selfassessment", "Payment of applicable duties", "Compulsory Compliance Verification", "Examination", "Other Regulatory Approval from PGA" and "Customs Clearances" will be displayed on the screen.

4. CIP Portal offers useful information under separate tabs such as:

#### 4.1. Customs Stations tab:

User may click on this tab to access information about all the Customs Stations such as Air Cargo Complexes, Inland Container Depots, Land Customs Stations, Railway Stations and Seaports, on India Map along with the corresponding contact information.

#### 4.2. Useful Links tab:

User may click on this tab to get information about the Ministries, Departments and Other Regulatory agencies involved in import or export along with their web links.

#### 4.3. Contact Information-tab:

User may click on this tab to get contact details of the Section of CBIC dealing with CIP.

#### 5. Other useful information:

CIP Portal also provides other useful information such as:



The portal even provides a "**Customs Traveller Guide**" and link for installation of Mobile App for disseminating information to the passengers arriving in India or departing from India regarding customs compliance, restrictions, prohibitions, etc.

#### Source:

- a) Press Release issued by the Ministry of Finance dated 4<sup>th</sup> August, 2021 (https://www.pib.gov.in/PressReleasePage.aspx?PRID=1742296)
- b) Tutorial Document (https://cip.icegate.gov.in/static/images/doc/CIP-Tutorial.pdf)



# MINISTRY OF COMMERCE & INDUSTRY

# DGFT

S.No.	Heading No.	Date	Subject	Description	Download the Link		
1)	Notification No. 48/2015-20	31.12.2021	Extension of Last Date for Submitting applications for Scrip based FTP Schemes	Last date for submitting online applications stands revised to 31.01.2022 for Scrip based FTP Schemes.	<u>https://tinyurl.com/</u> <u>49tpn5en</u>		
2)	Public Notice No. 44/2015-20	05.01.2022	Amendment in Para 9.08 of HBP 2015-20 - Inclusion of new agencies in Standing Grievance Committee	DGFT has amended Para 9.08 of HBP 2015-20 for inclusion of new agencies in Standing Grievance Committee.	<u>https://tinyurl.com/</u> 6hjdck7m		
3)	Trade Notice No. 31/2021-22	14.01.2022	De-Activation of IECs not updated at DGFT	All IECs which have not been updated after 01.07.2020 shall be de-activated w.e.f. 01.02.2022.	https://tinyurl.com/ mrxbufmh		
4)	Trade Notice No. 29/2021-22	06.01.2022	Continuation of operations of the DGFT 'COVID-19 Helpdesk' for International Trade related Issues'	DGFT has operationalised a 'COVID-19 Helpdesk' to support and seek suitable resolutions to issues arising in respect of International Trade.			
5)	Trade Notice No. 28/2021-22	31.12.2021	Online Applications for EODC/closure under Advance Authorisation Scheme - Option to file manual applications	Manual/physical filing of EODC/ closure applications under AA Scheme is allowed for AAs issued before 01.12.2020.	<u>https://tinyurl.com/</u> <u>yyra56hr</u>		

## **MINISTRY OF FINANCE**

## **CBIC - CUSTOMS**

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	Notification No. 60/2021 - Cus.	30.12.2021	-	This notification shall come into effect from 1st January, 2022.	https://tinyurl.com/ 5az58mzm
2)	Notification No. 58/2021 - Cus.	29.12.2021	CBIC amends Notification No. 11/2018-Cus. to align with HSN 2022 w.e.f. 1.1.2022	This notification shall come into effect from 1st January, 2022.	https://tinyurl.com/ 3k4z3ddf
3)	Notification No. 56/2021 - Cus.	29.12.2021	CBIC amends Notification No. 82/2017-Cus. to align with HSN 2022 w.e.f. 1.1.2022	This notification shall come into effect from 1st January, 2022.	https://tinyurl.com/ yxkneh3t
4)	Notification No. 02/2022 - Cus. (NT)		Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 07.01.2022.	https://tinyurl.com/ ypj3jwc7
5)	Notification No. 01/2022 - Cus. (NT)		Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 04.01.2022.	https://tinyurl.com/ 5246w9ta
6)	Notification No. 109/2021 - Cus. (NT)	31.12.2021	CBIC amends Sea Cargo Manifest and Transhipment Regulations, 2018	These regulations may be called the Sea Cargo Manifest and Transhipment (Ninth Amendment) Regulations, 2021.	https://tinyurl.com/ 2p8mpzju
7)	Notification No. 108/2021 - Cus. (NT)	31.12.2021	CBIC amends the Schedule for Drawback on exports of goods	Amendments have been made in Notification No. 07/2020-Customs (N.T.) dated 28th January, 2020.	https://tinyurl.com/ ysy42sws
8)	Notification No. 106/2021 - Cus. (NT)	30.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 31.12.2021.	https://tinyurl.com/ yckzxb43
9)	Notification No. 105/2021 - Cus. (NT)	28.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 29.12.2021.	https://tinyurl.com/ mv4kbamd



10)	Notification No. 104/2021 - Cus. (NT)	27.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 28.12.2021.	https://tinyurl.com/ m353z55t
11)	Notification No. 103/2021 - Cust. (NT)	24.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 25.12.2021.	https://tinyurl.com/ 2p92cba7
12)	Notification No. 102/2021 - Cus. (NT)	22.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 23.12.2021.	<u>https://tinyurl.com/</u> <u>53vhuwfr</u>
13)	Notification No. 101/2021 - Cus. (NT)	21.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 22.12.2021.	https://tinyurl.com/ 2p8ap6jw
14)	Notification No. 100/2021 - Cus. (NT)	20.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 21.12.2021.	https://tinyurl.com/ mszffpcu
15)	Notification No. 99/2021 - Cus. (NT)	17.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 18.12.2021.	https://tinyurl.com/ wnpwu9pm
16)	Notification No. 98/2021 - Cus. (NT)	16.12.2021	Exchange rate Notification	Notifies Rate of Exchange of Foreign Currencies w.e.f. 17.12.2021.	https://tinyurl.com/ bdf5x4t8

# SAHAR AIR CARGO CUSTOMS

S.No.	Heading No.	Date	Subject	Description	Download the Link
,	Public Notice No. 01/2022	03.01.2022	- compliance of protocol/	Those who are visiting Customs are directed to follow the COVID protocols/ government guidelines at all the times.	
	Public Notice No. 63/2021	20.12.2021		ACC, Mumbai is among six Air Cargo's selected for the National Level Time Release Study.	

## **MUMBAI CUSTOMS**

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	Public Notice (ICD)M(I)	06.01.2022	Public Notice (ICD)M(I)	The office premises of ICD Mulund has been shifted from Mulund East to NCH, Mumbai.	
2)	Public Notice No. 200/ 2022	05.01.2022	Fresh empanelment of Chartered Engineers/ Valuers for valuation of Seized/ Confiscated/ Detained/ Time-Expired bonded goods	The Principal Commissioner of Customs (General) has approved some of the companies to be empaneled as Chartered Engineers/ Valuers for valuation of Seized/ Confiscated/ Detained/ Time-Expired bonded goods.	https://tinyurl.com/ 259w79kb

## DIRECTORATE GENERAL OF TRADE REMDIES

S.No.	Heading No.	Date	Subject	Description	Download the Link
1)	O.M. No. 190354 /182/2021-TRU		of Anti-Dumping Investigation concerning imports of "Polyester Yarn (Polyester	Final Findings in the matter of Anti- Dumping Investigation concerning imports of "Polyester Yarn (Polyester Spun Yarn)" originating in or exported from China PR, Indonesia, Nepal and Vietnam.	https://tinyurl.com/ 3rpf3zrt

# GST RELATED NOTIFICATIONS / CIRCULARS CENTRAL TAX NOTIFICATIONS

## (https://www.cbic.gov.in/htdocs-cbec/gst/noticentraltax)

Notification No. & Date	Subject		
40/2021-Central Tax, dt. 29.12.2021	Seeks to make amendments (Tenth Amendment, 2021) to the CGST Rules, 2017.		
39/2021-Central Tax, dt. 21.12.2021	Seeks to notify 01.01.2022 as the date on which provisions of section 108, 109 and 113 to 122 of the Finance Act, 2021 shall come into force.		
38/2021-Central Tax, dt. 21.12.2021	Seeks to bring sub-rule (2) and sub-rule (3), clause (i) of sub-rule (6) and sub-rule (7) of rule 2 of the CGST (Eighth Amendment) Rules, 2021 into force w.e.f. 01.01.2022.		
37/2021-Central Tax, dt. 01.12.2021	Seeks to make amendments (Ninth Amendment, 2021) to the CGST Rules, 2017.		

# **CENTRAL TAX (RATE) NOTIFICATIONS**

## (https://www.cbic.gov.in/htdocs-cbec/gst/noticentraltaxrate)

Notification No. & Date	Subject
22/2021-Central Tax (Rate), dt. 31.12.2021	Seeks to supersede Notification No. 15/2021- CT(R) dated 18.11.2021 and amend Notification No. 11/2017- CT (Rate) dated 28.06.2017.
21/2021-Central Tax (Rate), dt. 31.12.2021	Seeks to supersede Notification No. 14/2021- CT(R) dated 18.11.2021 and amend Notification No 1/2017- CT (Rate) dated 28.06.2017.
20/2021-Central Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 21/2018- Central Tax (Rate) dated 26.07.2018
18/2021-Central Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 2/2017- Central Tax (Rate) dated 28.06.2017.
19/2021-Central Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 1/2017- Central Tax (Rate) dated 28.06.2017.

# INTEGRATED TAX (RATE) NOTIFICATIONS

## (https://www.cbic.gov.in/htdocs-cbec/gst/notiintegratedtaxrate)

Notification No. & Date	Subject	
22/2021- Integrated Tax (Rate), dt. 31.12.2021	Seeks to supersede Notification No. 14/2021- IT(R) dated 18.11.2021 and amend Notification No. 1/2017- Integrated Tax (Rate) dated 28.06.2017.	
21/2021- Integrated Tax (Rate), dt. 31.12.2021	Seeks to supersede notification 15/2021- IT(R) dated 18.11.2021 and amend Notification No 8/2017- Integrated Tax (Rate) dated 28.06.2017.	
20/2021- Integrated Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 22/2018- Integrated Tax (Rate) dated 26.07.2018	
19/2021- Integrated Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 2/2017- Integrated Tax (Rate) dated 28.06.2017.	
18/2021- Integrated Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 1/2017- Integrated Tax (Rate) dated 28.06.2017	

# UNION TERRITORY TAX (RATE) NOTIFICATIONS

## (https://www.cbic.gov.in/htdocs-cbec/gst/notiuniontaxrate)

Notification No. & Date	Subject	
22/2021-Union Territory Tax (Rate), dt. 31.12.2021	Seeks to supersede Notification No. 15/2021- UTT(R) and amend Notification No. 11/2017- Union territory Tax (Rate) dated 28.06.2017.	
21/2021-Union Territory Tax (Rate), dt. 31.12.2021	Seeks to supersede Notification No. 14/2021- UTT(R) and amend Notification No. 1/2017- Union territory Tax (Rate) dated 28.06.2017.	
20/2021-Union Territory Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 21/2018- Union territory Tax (Rate) dated 26.07.2018.	
19/2021-Union Territory Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 2/2017- Union territory Tax (Rate) dated 28.06.2017.	
18/2021-Union Territory Tax (Rate), dt. 28.12.2021	Seeks to amend Notification No. 1/2017- Union territory Tax (Rate) dated 28.06.2017.	



# CIRCULARS/ ORDERS

## (https://www.cbic.gov.in/htdocs-cbec/gst/gstcirculars)

( <u>nttps://www</u>	<u>v.cbic.gov.</u>	in/htdocs-cbec/gst/gstcirculars)			
Notification No. & Date Su	ıbject				
	Mechanism for filing of refund claim by the taxpayers registered in erstwhile Union Territory of Daman & Diu for period prior to merger with U.T. of Dadra & Nagar Haveli.				
	PRE	SS RELEASES			
Name of Ministry	Date	Subject			
Ministry of Commerce & Industry	14.01.2022	India's Foreign Trade: December 2021			
Ministry of Commerce & Industry	13.01.2022	-			
Ministry of Commerce & Industry	13.01.2022	India and UK Launch Free Trade Agreement Negotiations.			
Ministry of Commerce & Industry	12.01.2022	Shri Piyush Goyal appeals to the industry to prepay MSMEs for their services to boost employment and growth.			
Ministry of Micro, Small & Medium Enterprise	es 12.01.2022	Prime Minister inaugurates MSME Technology Centre at Puducherry.			
Ministry of Textiles	12.01.2022	Textile sector exports increase by 41% in April - December 2021 as compared to last year.			
Ministry of Commerce & Industry	07.01.2022	Centre establishes help desks and control rooms to avoid any possible disruptions in Commerce and Industry.			
Ministry of Finance	06.01.2022	PFMS played an instrumental role in making the governance easier and accessible: CGA Deepak Das.			
Ministry of Textiles	04.01.2022	increase of GST slab from 5% to 12% for Textiles sector while addressing All India Textiles Association.			
Ministry of Commerce & Industry	03.01.2022	Historic and Highest Ever Merchandise Export Figures for December - Shri Piyush Goyal.			
Ministry of Finance		Rs 1,29,780 crore gross GST Revenue collection for December 2021.			
Ministry of Finance		Recommendations of 46th GST Council Meeting.			
Ministry of Textiles	31.12.2021	the rates in textiles recommended in the 45th GST Council Meeting.			
Ministry of Commerce & Industry	30.12.2021	Year End Review 2021 for Dept. of Commerce, Ministry of Commerce and Industry.			
Ministry of Finance	30.12.2021	with Finance Ministers of States.			
Ministry of Micro, Small & Medium Enterpris	es 30.12.2021"				
Ministry of Textiles	28.12.2021	Operational Guidelines For Production Linked Incentive (PLI) Scheme For Textiles Finalized.			
Ministry of Textiles	27.12.2021				
Ministry of Finance	24.12.2021	Chairman CBIC Shri Vivek Johri presides over Passing Out Ceremony of the 71st Batch of 35 IRS (C&IT) Officers.			
Ministry of Commerce & Industry	22.12.2021	More than 25,000 compliances reduced by centre so far in its bid to promote Ease of Living and Ease of Doing Business.			
Ministry of Commerce & Industry	22.12.2021	Global Shortage of Containers.			
Ministry of Finance	22.12.2021	meetings for forthcoming Union Budget 2022-23.			
Ministry of Finance	21.12.2021	Steps taken by Government to improve flow of credit to MSME sector.			
Ministry of Micro, Small & Medium Enterpris					
Ministry of Commerce & Industry	17.12.2021				
Ministry of Commerce & Industry Ministry of Commerce & Industry	17.12.2021				
Ministry of Textiles	17.12.2021" 17.12.2021				
Ministry of Textiles	17.12.2021				
Ministry of Micro, Small & Medium Enterpris					
Ministry of Textiles	15.12.2021				
Ministry of Commerce & Industry	14.12.2021	India's Foreign Trade: November 2021.			

# ANALYSIS ON EXPORTS OF INDIAN MAN-MADE FIBRE TEXTILES DURING APRIL-NOVEMBER 2021-2022

Exports of Indian Manmade Fibre (MMF) textiles for the period of April-November 2021-22 were US\$ 4372.83 million vs US\$ 2665.99 million in the corresponding period of the previous year, showing a growth of 64.02%.

			value in USD with
Segments	April - November 2020-2021	April - November 2021-2022	% Growth
FIBRE	235.11	441.28	87.69
YARN	744.34	1521.31	104.38
FABRICS	865.98	1242.90	43.53
MADE-UPS	820.56	1167.34	42.26
TOTAL	2665.99	4372.83	64.02
L			

#### Source: MOC

EXPORT

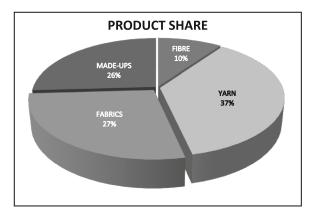
REVIEW

#### HIGHLIGHTS

- Overall exports in April-November of 2021-2022 showed a growth of 64.02% as compared to the same period of the previous year.
- All the four segments have shown significant double-digit growth during the period.
- Exports of MMF have shown a growth of 87.69% during April-November2021-2022 as compared to the same period of the
  previous year. Polyester Staple Fibre (US\$ 293.84 Mn) was the leading item in the MMF category followed by Viscose Staple
  Fibre (US\$ 131.77 Mn).
- MMF Yarn exports witnessed a growth of 104.38% during observed period. Polyester Filament Yarn was the leading item with exports of US\$ 912.88 Mn followed by Polyester Cotton Yarn US\$ 158.89 Mn, Polyester Spun Yarn US\$ 98.97 Mn and Polyester Viscose Yarn US\$ 80.01 Mn.
- Exports of MMF Fabrics also witnessed 43.53% growth during April-November2021-2022. Synthetic Filament Fabrics (US\$ 398.94 Mn) was the top MMF Fabrics exported during the period followed by Polyester Filament Fabrics (US\$ 254.71 Mn).
- Exports of MMF Made-ups increased by 42.26% during the period as compared to the same period of the previous year.
- As far as product share is concerned, exports of Yarn dominated with 37% share followed by Fabrics 27%, Made-ups 26%, and Fibre 10% in the Indian MMF textile export basket.
- Share of the value-added segments such as Fabrics and Made-ups is 55% in total exports.
- The Top Ten markets for Indian MMF and MMF blended textiles during April-November 2021-2022 were USA, Turkey, UAE, Bangladesh, Brazil, Egypt, Sri Lanka, Germany, Italy and Belgium.
- USA emerged the leading market for Indian MMF textiles during April-November2021-2022 with 14% share followed by Turkey 9% and UAE 6%.
- Exports to Brazil showing tremendous growth of 146% during the period.
- All markets for Indian MMF textiles showed positive growth during the observed period.
- Other key markets having significant share in exports during April-November2021-2022 were Brazil, Bangladesh with share of 5%, Egypt with the share of 4% and Sri Lanka, Germany and Italy 3% each.
- USA, UAE and Sri Lanka were the leading markets for Indian MMF Fabrics during April-November 2021-2022.
- USA and UAE were also leading markets for Indian MMF Made-ups during the period.

#### **PRODUCT SHARE**

During April-November 2021-2022, dominant product in the Indian MMF textiles export basket was Yarn accounting for a share of 37% followed by Fabrics 27%, Made-ups 26% and Fibre 10%.





#### PRODUCT-WISE EXPORT PERFORMANCE DURING APRIL-NOVEMBER 2021-2022

**April-November April-November** Net **Product Description** % Growth Change 2020-2021 2021-2022 **FIBRE Polyester Staple** 141.57 293.84 152.27 107.56 74.69 Viscose Staple 75.43 131.77 56.34 Other Fibre 18.06 15.58 -2.48 -13.73 **Total Fibre** 235.06 441.19 206.13 87.69 YARN **Polyester Filament** 405.59 912.88 507.29 125.07 **Polyester Cotton** 158.89 90.59 68.30 75.39 Polyester Spun 42.45 98.97 56.52 133.14 **Polyester Viscose** 34.5 80.01 45.51 131.91 Viscose Spun 36.62 70.81 34.19 93.36 Synthetic Spun 32.94 42.13 9.19 27.90 Acrylic Spun 21.27 29.44 8.17 38.41 Nylon Filament 11.98 15.06 27.04 79.55 Viscose Filament 13.08 22.33 9.25 70.72 Viscose Cotton 4.35 7.55 3.20 73.56 Other Yarn 47.89 23.37 48.80 71.26 **Total Yarn** 744.34 1521.31 776.97 104.38 FABRICS (Woven + non-woven + knitted) Synthetic Filament 398.94 81.81 25.80 317.13 254.71 104.49 **Polyester Filament** 150.22 69.56 **Polyester Viscose** 122.95 158.37 35.42 28.81 **Polyester Blended** 33.16 34.4 1.24 3.74 Polyester Cotton 16.69 27.58 10.89 65.25 Viscose Spun 16.23 25.36 9.13 56.25 Polyester Spun 8.64 20.81 12.17 140.86 14.26 32.75 Nylon Filament 18.93 4.67 Polyester Wool 12.55 17.68 5.13 40.88 Viscose Blended 10.34 17.36 7.02 67.89 **Other Fabrics** 163.81 268.76 104.95 64.07 **Total Fabrics** 865.98 1242.9 376.92 43.53 MADE-UPS **Bulk Containers** 406.51 658.5 251.99 61.99 Shawls/Scarves 19.63 53.08 72.71 36.98 Muffler 39.29 6.28 45.57 15.98 Motifs 49.15 42.35 -6.80 -13.84 **Fishing Net** 43.05 40.25 -2.80 -6.50 Blanket 16.31 29.32 13.01 79.77 **Furnishing Articles** 12.25 26.88 14.63 119.43 Bed Linen 11.97 20.16 8.19 68.42 13.26 44.42 19.15 5.89 Rope 10.31 15.56 5.25 50.92 Sacks and Bags Other Made-ups 165.38 196.89 31.51 19.05

820.56

1167.34

**Total Made-ups** 

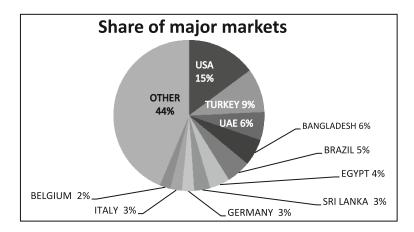
42.26

346.78

Value in US\$ Mn



\*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 FOR INDIAN MMF TEXTILES

Value in US\$ Mn

Country	April-November 2020-2021	April-November 2021-2022	Net Change	% Growth
USA	391.45	648.57	257.12	65.68
TURKEY	223.30	411.60	188.30	84.33
UAE	174.82	262.58	87.76	50.20
BANGLADESH	152.74	251.74	99.00	64.82
BRAZIL	91.60	225.69	134.09	146.39
EGYPT	79.90	186.04	106.14	132.84
SRI LANKA	91.41	150.92	59.51	65.10
GERMANY	78.25	113.98	35.73	45.66
ITALY	65.84	109.93	44.09	66.97
BELGIUM	52.37	101.76	49.39	94.31

#### MAJOR MARKETS FOR MMF

Value in US\$ Mn

Country	April-November 2020-2021	April-November 2021-2022	Net Change	% Growth
USA	26.19	68.61	42.42	161.97
TURKEY	41.69	64.83	23.14	55.50
BANGLADESH	32.00	31.05	-0.95	-2.97
BELGIUM	10.27	17.01	6.74	65.63
EGYPT	8.77	16.57	7.80	88.94
GERMANY	7.56	14.28	6.72	88.89
BRAZIL	5.22	13.44	8.22	157.47
UAE	1.85	9.83	7.98	431.35
ITALY	5.96	8.67	2.71	45.47
SRI LANKA	0.46	0.03	-0.43	-93.48

#### MAJOR MARKETS FOR MMF YARN

Value in US\$ Mn

Country	April-November 2020-2021	April-November 2021-2022	Net Change	% Growth	
TURKEY	172.29	335.03	162.74	94.46	
BRAZIL	81.65	204.90	123.25	150.95	
EGYPT	49.63	130.40	80.77	162.74	
BANGLADESH	60.82	105.73	44.91	73.84	
USA	58.63	89.45	30.82	52.57	
BELGIUM	18.40	39.94	21.54	117.07	
UAE	16.62	35.36	18.74	112.76	
SRI LANKA	11.80	25.73	13.93	118.05	
ITALY	9.76	25.08	15.32	156.97	
GERMANY	9.91	16.60	6.69	67.51	

#### MAJOR MARKETS FOR MMF FABRICS

Value in US\$ Mn **April-November** April-November Net % Country Change 2020-2021 2021-2022 Growth USA 113.42 175.34 61.92 54.59 UAE 85.25 126.28 41.03 48.13 SRI LANKA 76.01 121.83 45.82 60.28 BANGLADESH 53.28 89.91 59.26 112.54 EGYPT 19.11 34.67 15.56 81.42 ITALY 14.91 20.85 5.94 39.84 BELGIUM 10.91 18.57 7.66 70.21 GERMANY 7.94 9.95 2.01 25.31 TURKEY 6.76 8.76 2.00 29.59 BRAZIL 2.94 -0.01 -0.34 2.95

#### MAJOR MARKETS FOR MMF MADE-UPS

	MAJOR MARKETS	Value in US\$ Mn		
Country	April-November 2020-2021	April-November 2021-2022	Net Change	% Growth
USA	193.21	315.17	121.96	63.12
UAE	71.10	91.11	20.01	28.14
GERMANY	52.84	73.15	20.31	38.44
ITALY	35.21	55.33	20.12	57.14
BELGIUM	12.79	26.24	13.45	105.16
BRAZIL	1.78	4.41	2.63	147.75
EGYPT	2.39	4.40	2.01	84.10
SRI LANKA	3.14	3.33	0.19	6.05
TURKEY	2.56	2.98	0.42	16.41
BANGLADESH	0.66	2.42	1.76	266.67





BOX ITEM

#### Meeting of Stakeholders Discussion on concept note of New Scheme to replace ATUFS

The Ministry of Textiles held a virtual meeting of Stakeholders Consultation regarding formulation of a new WTO Compliant Scheme to replace the existing Technology Upgradation Fund Scheme (TUFS) on 13<sup>th</sup> January 2022. Shri Upendra Singh, Textiles Secretary chaired the Stakeholders meeting. Shri S.Balaraju, Executive Director, Shri Kripabar Baruah, Additional Director & Ms. Sybil Marques, Deputy Director of SRTEPC attended the meeting. Shri A.K.Singh, Additional Secretary, MoT, gave a brief presentation about the New Scheme which is named as Textiles Technology Development Scheme. Thereafter, all the Councils were asked to give their comments on the presentation of the said alternative Scheme to the TUFS. Shri Baruah from SRTEPC thanked the Ministry for formulation of the new Scheme and informed that this will be an opportunity for the Government as well as the industry to identify and address the shortcomings of the earlier TUFS so that the new Scheme which is being proposed will be an inclusive one to address the issues of the entire textile value chain including Man-made fibre, Yarn, Fabrics and Made-ups. It was also mentioned during the meeting that Government should include right from fibres to the downstream value chain in the proposed new Scheme, and sustainable textiles such as recycled fibres should be the focus of the Scheme.

It was also requested that the benefits of the new Scheme should be available to the PLI textiles beneficiary also. It was further requested to the Government that not only airjet looms but all types of looms including water jet looms, projectile loom etc. should be allowed. This will help in manufacturing and exporting all international quality fabrics as well as make more value additions.

# Virtual Meeting on Stakeholders Consultation for PSR in Rule of Origin on ongoing India-Australia FTA reg.

The Dept. of Commerce called a virtual Stakeholders Consultation for PSR in Rule of Origin on ongoing India-Australia Free Trade Agreement (FTA) on 5th January 2022. All the Textile Export Promotion Councils including our Council participated in the Consultation Meeting. Shri S. Balaraju, Executive Director and Shri Kripabar Baruah, Additional Director from the Council attended the meeting. Shri Harsh Anand, Dy. Secretary TPD-B chaired the meeting and welcomed the representatives of Councils. He briefly introduced about the meeting on Rules of Origin under the India-Australia FTA in which negotiations are going on. Shri Baruah informed that the inputs for PSRs pertaining to Man-made fibre textiles falling under the purview of SRTEPC have already been sent to the Ministry for taking up suitably. He also informed the Chair that the Council has gone through the PSR Rules of Origin under Australia-UK FTA as recommended by the Ministry and for most of the MMF textile products the similar PSRs have been recommended by the Council. It was also informed that for the upstream value chain like Fibre, Filament Yarn, the non-originating materials should have Chapter Charge (CC) PSR as the raw materials fall under a different Chapter and after conversions to textiles the Chapter is changed. Similar product categories like Fabrics CTH (Change in Tariff) heading PSR has been suggested and for the Made-ups category CC +40% value-addition PSR has been suggested. The Chair acknowledged the inputs sent by the Council which has been received and he complimented that the inputs are sent in detailed and in a logical manner. He also informed that if any clarification is required in due course then they will get back to the Council. During the meeting, the Chair also suggested that should the Council agree on Yarn Forward Rule as countries like UK are insisting on it, Australia also might request for the same. In this regard, Shri Baruah informed that he will come back to the Ministry based on a written communication on the issue by consulting the Industry Stakeholders.

# POSTPONEMENT OF EXPORT AWARD FUNCTION

This is to inform that due to the restrictions imposed by the Government of Maharashtra on account of rising covid cases, it has been decided to postpone the Export Award Function which was scheduled for Saturday, 8th January, 2022. The new date for the Award Function will be communicated when the present situation improves and Government restrictions are lifted.

## Virtual Meeting on Discontinuation of the EPCG Scheme in the Foreign Trade Policy chaired by Shri Amit Yadav, Director General of Foreign Trade

In order to promote the domestic Capital Goods industry, a virtual meeting on "Discontinuation of the EPCG Scheme in the Foreign Trade Policy" was held under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade with the Industry Associations and select EPCs on 20<sup>th</sup> January, 2022. The meeting was attended by Shri Dhiraj Shah, Chairman, Shri Bhadresh Dodhia, Vice Chairman, Shri S.Balaraju, Executive Director, Shri Kripabar Baruah, Additional Director and Shri Sybil Marques, Deputy Director of SRTEPC. Different views were put forward by various Associations & EPCs on why the Scheme needs to be continued through the new FTP. Shri Bhadresh Dodhia, Vice Chairman spoke on behalf of SRTEPC that "Our Council is of the view that the Scheme is absolutely a must and should continue. Our textile value chain in MMF is also having an Inverted Duty Structure wherein the fibre is at 18%, Yarn at 12% and Fabric at 15%. Any duty paid on GST, it is a net cost to the manufacturer today. He further mentioned that if this Scheme is discontinued and taking into account the cost escalation of last year of 30%, all our investments in this textile value chain will go up by 50% and this will really hamper the growth of our MMF textile value chain. So our Council is of the firm view that this Scheme must continue. It may be mentioned here the **the** Indian Textile Engineering Industry is not capable to produce high tech machineries except in the spinning sector and is dependent on import of state-of-the-art machines, so continuation of the EPCG Scheme will encourage new investments in the country and procure capital goods for manufacturing quality goods and thus enhance India's exports to greater heights.



# Webinar chaired by Mr. V.K.Singh, Additional Secretary, Ministry of Textiles on the new PLI Scheme for interaction with industry representatives.

A Webinar was organized by the Ministry of Textiles on the PLI Scheme with industry representatives on 20th January, 2022 seeking views on the Guidelines of the Scheme. The Webinar was chaired by Shri V.K.Singh, Additional Secretary and also attended by Smt. Shubhra Trade Advisor from the MoT. Both of them answered the queries put forward by the representatives from the industry. Shri Singh mentioned that there were about 200 applications received but they are expecting more. He also mentioned that they had a Projected Management Agency for this Scheme and they will also be talking to the applicants to get more information with regard to the implementation of the new Scheme. Before raising some points, SRTEPC thanked the Ministry for announcing the PLI Scheme and revision of the list of items eligible for the scheme, covering some of the major product lines of MMF fabrics and Technical Textiles having global export potential. Some urgent views relating to the Scheme are highlighted as (i) The incremental growth of 25% may not be feasible in the textile segment as historically the growth in textiles sector is around 10% only. Therefore, it is suggested that the incremental turnover may be considered annually at 20% or it can be considered as aggregate/ average for 5 years. (ii) The proposed investment threshold of minimum Rs. 300 crores (excluding ₹ land and administrative building cost) to manufacture Notified Products in the Scheme Part-1 and Rs. 100 crores in Scheme Part-2 are observed to be in the higher side. (iii) Currently, our MMF textile segment is not very strong in the knitting segment. There are substantial imports happening in the knitting segment. However, there are only three HS lines at 8-digit level considered in the PLI scheme. SRTEPC had submitted a detailed proposal with several knitted fabrics tariff lines. (iv) It is presumed that on review of the abovementioned core issues, there will be more companies interested for the PLI Scheme. The interactions were quite fruitful as many queries raised by the industry representatives were answered accordingly. The meeting was attended by SRTEPC Chairman, Shri Dhiraj Shah, Vice Chairman, Shri Bhadresh Dodhia and Executive Director, Shri S.Balaraju.





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# **SRTEPC'S Services to Indian Exporters**



- 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.
- Forex updates on WhatsApp.

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