INFO SRTEPC

Vol. No.5 | Issue No.8 | November, 2016 | ₹ 50/- | MUMBAI

R.N.I. No. MAHENG / 2012 / 45923
Published on 20th November, 2016 (Pages : 36)

SRTEPC'S "INTERACTIVE MEETING" WITH HON'BLE MINISTER OF TEXTILES

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) held an Interactive Meeting with the Hon'ble Minister of Textiles (HMOT), Smt. Smriti Zubin Irani, on 15th November, 2016 at Sahara Star Hotel, Vileparle, Mumbai.

Hon'ble Union Minister of Textiles Smt. Smriti Zubin Irani interacting with the Stakeholders of the MMF Textile Industry. Also seen on the dais Dr. Ms. Kavita Gupta, Textiles Commissioner, IAS, GoI, Dr. V. K. Ladia, Former Chairman and Shri Sri Narain Aggarwal, Vice Chairman, SRTEPC

Dr. Kavita Gupta, IAS, Textiles Commissioner was present as dignitary for deliberations during the Interactive meeting. Dr. V.K. Ladia, Former Chairman along with Shri Sri Narain Aggarwal, Vice Chairman, SRTEPC were present on the dais. Thirty five stalwarts from the entire MMF Textile value chain, which included the Council's former Chairmen and Committee of Administration Members actively participated in the meeting.

THE "POOR MAN'S TEXTILE"

The Hon'ble Minister of Textiles Smt. Smriti Zubin Irani, pointed out that MMF Textiles is rightly the "Poor Man's Textile" and has been growing in usage the world over. She reiterated her willingness to put forth the issues of the MMF Textile industry at every forum of the various concerned Ministries for augmenting growth and exports. She appealed to the stakeholders to have more interactions with State Governments on critical policy issues like GST, cost of power, capacity building through skill development as well as for the Global recognition of Brand "Indian Textiles", which may be of concern to them. She emphasized that the industry and EPCs should work together to come with a basket of competitive textile products that the country can leverage to enhance our world share, which is the need of the hour. Further she offered all support for accomplishing this goal at the earliest.

View of the members during discussions of the specific issues to be presented to Hon'ble Minister Of Textiles

SECTORWISE REPRESENTATIONS

As desired by HMOT, Dr. Kavita Gupta, Textile Commissioner requested the Industry representatives present at the meeting to make sector wise groups i.e. Policy, Fibres, Filament, Yarns, Fabrics Weaving, Made-ups and Garmenting for collective representation and deliberations of their issues regarding the MMF Textiles. The

(Contd. on Page 35)

REVISED DUTY DRAWBACK RATES FOR 2016-17

The Government has announced the Revised All Industry Rates of Duty Drawback for 2016-17 vide Notification No.131/2016 - Customs (N.T.), dated 31st October, 2016. The revised rates of Drawback are effective from 15th November, 2016.

In this regard, please refer to the following which can be viewed on our website

(1) Notification No.131/2016 - Customs (N.T.) dated 31st October, 2016.

(2) Notification No. 132/2016 - Customs (N.T.) dated 31st October, 2016.

(3) Circular No. 50/2016 - Customs dated 31st October, 2016.

(4) Drawback Schedule for MMF Textiles (Chapter 54 to 63).

(5) Comparative Statement of rates of Drawback for the major items of MMF Textiles under the Drawback Schedule for 2016-17 and 2015-16.

COMPARATIVE STATEMENT OF DUTY DRAWBACK FOR MMF TEXTILES FOR 2016-17 & 2015-16

			New DBK Rates w.e.f. 15th November, 2016				DBK Rates Prior to 15th November, 2016			
			A		B		C		D	
			Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed		Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed	
Tariff Item	Description of goods	Unit	Drawback Rate (%)	Drawback cap per unit in Rs.	Drawback Rate (%)	Drawback cap per unit in Rs.	Drawback Rate (%)	Drawback cap per unit in Rs.	Drawback Rate (%)	Drawback cap per unit in Rs.
1	2	3	4	5	6	7	8	9	10	11
					FIBRES					
5503	Polyester Staple Fibre (not carded)		1.5	--	1.5	--	1.9	--	1.9	--
5504	Viscose Staple Fibre (not carded)		1.5	--	1.5	--	1.9	--	1.9	--
5506	Polyester Staple Fibre (carded)		1.5	--	1.5	--	1.9	--	1.9	--
5507	Viscose Staple Fibre (carded)		1.5	--	1.5	--	1.9	--	1.9	--
					YARNS					
540201	Polyester texturised/ twisted yarn (Grey)	Kg	11.1	23	1.7	3.5	10.9	20	1.9	3.5
540202	Polyester texturised/ twisted yarn (Dyed)	Kg	12.2	31	2.3	5.8	11.9	31	1.9	4.9
540203	Polyester Filament Yarn/ Fully Drawn Yarn (FDY)	Kg	**Entry deleted**	**-**	**Entry deleted**	-	1.9	-	1.9	-
540204	Polyester Texturised Yarn/ Polyester Partially Oriented Yarn	Kg	**Entry deleted**	**-**	**Entry deleted**	-	1.9	-	1.9	-
540205	Polyester/ Cotton blended yarn (polyester content not less than 50% by weight	Kg	**Entry deleted**	**-**	**Entry deleted**	-	1.9	-	1.9	-
540206	Acrylic Yarn (Acrylic content 100%)	Kg	**Entry deleted**	**-**	**Entry deleted**	-	1.9	-	1.9	-
540207	Nylon filament yarn including crimped twisted and Dyed	Kg	**Entry deleted**	**-**	**Entry deleted**	-	1.9	-	1.9	-
540208	Nylon Tyre Yarn	Kg	**Entry deleted**	**-**	**Entry deleted**	-	1.9	-	1.9	-

(Contd. on Page 34)

srtepc

PRINTER, PUBLISHER & EDITOR : V. ANIL KUMAR

EDITORIAL TEAM : SRIJIB ROY, ANAND HALDANKAR KRIPABAR BARUAH

EDITORIAL SUBSCRIPTION & ADVERTISEMENT OFFICE : The Synthetic & Rayon Textiles Export Promotion Council
Resham Bhavan, 78 Veer Nariman Road,
Mumbai - 400 020.
Phone : 22048797, 22048690, 22040168
Fax : 22048358
E-mail : srtepc@srtepc.in
Website : www.srtepc.org

REGIONAL OFFICES :

SURAT
The Synthetic & Rayon Textiles Export Promotion Council,
Block No. 4DE, 4th Flr., Resham Bhavan,
Lal Dharwaja, Surat - 395 003
Phone : 0261-242 3184
Fax : 0261-242 1756
E-mail : surat@srtepc.in

NEW DELHI
The Synthetic & Rayon Textiles Export Promotion Council,
Surya Kiran Building,
Flat No. 602, 6th Floor,
19, Kasturba Gandhi Marg,
New Delhi - 110 001
Phone : 011-2373 3090/92
Fax : 011-2373 3091
E-mail : delhi@srtepc.in

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

Editor: **V. ANIL KUMAR**

CONTENTS

Dear Member,

I am very glad to inform you that at our initiative, the Hon'ble Union Minister of Textiles (HMOT), Smt. Smriti Zubin Irani, attended the SRTEPC organized interactive meeting with stakeholders of the MMF Textile industry on 15th November, 2016 at Mumbai. The HMOT responded to all the issues and clarifications sought by the members' present regarding a range of topics such as Fibre neutrality, GST, Skill Development, MEIS, ATUFS, Job work in SEZs, Delay in reimbursement of Drawback, EPCG redemption benefits, Raw material price volatility, Antidumping Duty, Establishing renewable energy (Solar, Wind), Low cost housing facility for textile workers, World class textile products, to list a few.

The HMOT has pointed out that MMF Textiles is rightly the "Poor Man's Textile" and encouraged members to highlight this aspect across all platforms of interaction for reinforcing the sector's priority in India, as has been growing the world over. She reiterated her willingness to put forth the issues of the MMF Textile industry at every forum of the various concerned Ministries for resolution for augmenting growth and exports. She appealed to the stakeholders to have more interactions with State Governments on critical policy issues like GST, cost of power, capacity building through skill development as well as for the Global recognition of Brand "Indian Textiles", which may be of concern to them. She asserted that the industry and EPCs should work together to come with a basket of competitive textile products that the country can leverage to enhance our world share, which is the need of the hour. She has offered all support for accomplishing this goal at the earliest.

As desired by the HMOT, Council will forward the revised proposals to the MoT for taking up the issues for resolving them at various levels, including with other Ministries. She advocated that time has come to foresee and have long-term strategy, say 10 years from now what would the MMF textiles industry will look and what steps the Govt and Industry need to take such as future investments that industry need to make in weaving, processing and finishing, also by capacity enhancement by existing industries and what specific policy changes needed from government for accomplishing these critical aspects. I take this opportunity to express sincere gratitude to the HMOT for giving her valuable time and gave a patient hearing of the issues and concerns of the MMF Textile stakeholders and industry, despite her busy schedule because of the impending parliamentary sessions. I am certain with our cohesive approach and the unstinting support from the Government the future of Indian MMF Textiles is very bright.

The Government has announced the revised All Industry rates of Duty Drawback which will be effective from 15.11.2016. Though, the Drawback rates announced by the Government are satisfactory except for some of the items, which have been reduced substantially despite the global slowdown in exports. It may be mentioned that the Drawback rates have been uneven as it has increased in some of the cases like Cotton, Made-ups and Readymade Garments of Cotton and certain other fabrics, but the rates for the same items manufactured from Man-made Fibre have not been increased simultaneously. It is disappointing that the Drawback rates have been reduced for some of the commonly exported MMF items, some of which are also value added products. Further, the industry considers the minimal increase in drawback as a setback, while it was expecting a boost in the rates across products to encourage exports. The Council has taken this up with *the concerned authorities and requested to consider the same for correcting the difference in this regard. I am hopeful for a higher rate.*

Exports of MMF textiles during the period April-October 2016-17 witnessed a further crash of 13%, which is disheartening as the fall is conspicuous in all the segments viz. fabrics (16%) yarn (15%), made-ups (5%) and fibre (25%). It is imperative that the Government take adequate and encouraging policy decisions to reverse the situation and to stimulate exporters to cover up on the shortfall in the last quarter of the financial year. It will aid to achieve the USD 6 billion export target fixed for MMFT sector by the Ministry, Govt. of India. It may be noted that the share of value added segments like fabrics and made-ups have increased to 69% of total exports which is the thrust for the industry. In the context of Index of Industrial Production (IIP) data, Textiles sector and Manufacturing sector grew by 4.1% and 0.9% respectively during September 2016, as compared to the 3.1% and 6.9% growth in the August 2016, while the cumulative growth April-September 2016-17 for Textiles has increased to 3.4%, the same has declined by 0.8% for manufacturing over the corresponding period of the previous year. This gives hope for emergence of green shoots in Textiles.

The Council as part of its promotional programme is organizing 2nd edition of INTEXPO Myanmar (Burma) on 11th & 12th December, 2016. The Council has in the past, participated in the Fair, which has helped exporting companies to gain a foothold in the Burma market. Twenty companies of the Council will be participating in the December 2016 Fair. Myanmar has of late become an important garment making hub which is likely to cater to the major requirements of the European and American markets. The EU's re-instatement of GSP facility to Myanmar has been encouraging significant investments in the Myanmar's garment industry both from within the country and through FDI. Myanmar is mainly a Cotton producing country and hence currently it does not produce adequate Man-made textiles such as Yarns and Fabrics. Accordingly, the market is occupied by imported Manmade Yarns, Fabrics, Made-ups, etc. from China, Thailand, Japan and Korea. Thus, the Council's Fair will help to further explore the exports of MMF textiles to Myanmar and the participating companies will be successful in forging fruitful business relationships at the event. I wish them all the very best.

I am happy to inform you that the Council will hold its Annual Export Award Function on 21st January, 2017 in Mumbai. Council has already received the applications for awards from the aspiring members which will be scrutinized by the Award Committee constituted by the Council. I look forward to receiving your wholehearted support and co-operation in making our Export Award Function a memorable one.

With warm regards,

Yours sincerely,

ANIL RAJVANSHI
CHAIRMAN
The Synthetic & Rayon Textiles Export Promotion Council

CHINA

China halves yarn imports from India

India's spun yarn exports in September 2016 declined 30.2 per cent in volume terms while it was down 24.3 per cent in value terms. The average per unit realisation was down US cents 3 a kg from previous month and up US cents 24 a kg as compared to September 2015. China's yarn imports from Vietnam surged 34% in September from a year earlier whereas Indian shipments to China were down 56%, and imports from Pakistan have lost 30%.

In September 2016, 84 countries imported spun yarn from India, with China at the top accounting for 21.6 per cent of the total value with imports plunging 59.04 per cent in terms of volume YoY and declining 56 per cent in value YoY. Bangladesh was the second largest importer of spun yarns in September and accounted for around 15.8 per cent of all spun yarn exported from India. Export to Bangladesh was down 25.1 per cent in volumes and 19.6 per cent lower in value.

In September 2016, 84 countries imported spun yarn from India, with China at the top accounting for 21.6 per cent of the total value with imports plunging 59.04 per cent in terms of volume YoY and declining 56 per cent in value YoY. Bangladesh was the second largest importer of spun yarns in September and accounted for around 15.8 per cent of all spun yarn exported from India. Export to Bangladesh was down 25.1 per cent in volumes and 19.6 per cent lower in value.

South Korea was the third largest importer of spun yarns, which saw volume surging 43.4 per cent while rose 45 per cent in value. These three top importers together accounted for around 42.3 per cent of all spun yarns exported from India in September. Significant deceleration was seen in export to Argentina, United Arab Emirates, Norway, Lebanon and Kenya.

Source : Yarns&Fibers

VIETNAM

Vietnam-garment-textile firms gear up for global value chain

The Vietnam Textile and Apparel Association (VITAS) Vu Duc Giang highlighted the strategic role of Vietnam's textile and apparel in the bloc, saying that Vietnam tops ASEAN countries in apparel export. The sector is also among the nation's biggest foreign currency earners, which helps name Vietnam in the world's top five largest apparel exporter.

In 2015, the country earned 27 billion USD from textile and apparel export. The figure is expected to reach 29 billion USD this year. The sector has over 6,000 enterprises, creating jobs for over 2.5 million labourers. Vietnam needs to develop a master plan for developing the garment sector by 2020, with a vision to 2040, The sector should have incentives to draw foreign investors while enterprises need to develop their own brand names.. The federation VITAS has made significant contributions to forming a free trade zone among the Southeast Asian nations, and the building of the ASEAN Economic Community (AEC) in 2015.

Source : The Global Textiles

BANGLADESH

FDI in Bangladesh textile sector

There was a surge of 11 per cent foreign direct investment (FDI) in the fiscal year 2016 (FY16) in Bangladesh textile and clothing sector, according to the central bank of Bangladesh. Net inflow of FDI into textile sector for FY16 was $396 million against $351.62 million in FY15. However, this is less than the record FDI inflow of $445.82 million in FY14. Bangladesh is the second largest apparel exporter in the world after China. It also enjoys tariff-free market access in EU, Canada, Australia and other developed countries of the world, except the US. Of the total foreign investment in textile and clothing in FY16, around $222.86 million was introduced as reinvested earnings of the current companies operating in Bangladesh.

South Korean firms, mostly in the export processing zones, invested $111.61 million. This is almost one-third of the FDI in textile sector. Hong Kong firms invested $89.07 million. Overall, there was 9.27 per cent rise in foreign investment during the fiscal. Textile, telecom, banking, gas and petroleum and power sectors together accounted for 73 per cent of the FDI inflows in Bangladesh.

Source : Fibre2fashion

PAKISTAN

Pakistan's RMG exports rose

The exports of readymade garments from the country registered an increase of 3.76 percent during first two months of current fiscal year (FY) as compared to the corresponding period of last year. Report states that 5,109 dozen readymade garments worth $364.072 million were exported, during the period July-August, 2016, about as compared to the exports of 4,944 dozen valuing $350.867 million of same period last year. The bed wear exports rose by 5.28% as 58,365 metric tonnes of bed wear worth $355.799 million were exported in last two months of the current financial year, data revealed. Meanwhile, exports of tents, canvas and tarpaulin increased by 82.55 percent as 5,226 metric tonnes of the said commodities worth $ 16.807 million were exported as compared to the exports of 3,651 metric tons valuing $ 9.207 million that were recorded during the same period of last year, the data showed.

The made-up articles exports also witnessed an increase of 11.83 percent as made-up articles valuing $102.44 million were exported during the current fiscal year, while made-up articles worth $91.61 million were exported during the same period of last financial year, the data revealed Also other textile material exports posted an increase of 9.35 percent, during the period under review, as textile materials worth $69.288 million were exported, as compared to the exports of $63.361 million that were made during the same period of last year.

Source : Yarns&Fibers

INDONESIA

Incentives to country's textile industry

Indonesia's industry ministry has revealed the government plans to give various incentives to the country's textile industry to encourage exports and competitiveness in the global marketplace. Ministry officials are exploring the idea of applying energy cost refunds, subsidizing electricity bills for manufacturers who want to export textile products. Ministry is also developing plans to revoke goods and services tax (GST) paid by manufacturers purchasing raw materials within Indonesia where they are making products for export. The GST currently levied on such textile materials is 10%. The idea is to give an energy refund to companies that want to commit export…and to support the use of domestic raw material [for textile production], the concept is about (revoking) GST.

Currently, companies exporting their textile products can receive a reimbursement, but it takes a year before the money is repaid. The practice depletes industry capital to sustain production, a GST exemption would remove this problem. the government also plans to exempt from GST purchases of manufacturing equipment by Indonesian textile product exporters. The export of textiles and textile products from Indonesia declined 3.6% to US$12.28bn in 2015 from US$12.74bn in 2014, while the country expects to improve the export to US$12.5bn in 2016, according to industry figures. The textile sector would like the government to act fast with its incentive schemes.

Source : The CCF Group

TURKEY

Paraxylene imports in Turkey rose

Turkey has imported around 12,938 metric tons of paraxylene, rose by 116% in August 2016, as compared to the corresponding period last year. As compared to last month imports declined by 6%. Turkey has imported around 13721 metric tons. The increase was largely due to volumes inflow of 7,739 mt from Israel in August, whereas it had shipped none in the same month last year. Israel also retained the leading position among exporters in August, although it was largely unchanged from 7,732 mt in July. Turkey's other PX supplier, the Netherlands, however had a monthly decrease in exports of around 13% to 5,199 mt in August, compared to 5,989 mt in July. August exports were also down from 5,984 mt twelve months ago. Turkey is a net importer of xylenes, with negligible export volumes across all xylene isomers throughout the year, according to Turkstat.

Source : Yarns&Fibers

RUSSIA

Technical textile industry to grow in 2017

The Russian technical textiles industry is steadily growing, thanks to the ongoing recovery of the national economy from the effects of the crisis and the prospects of lifting of the Western sanctions possibly by the end of the year, according to a recent report by the Russian Ministry of Industry and Trade. Despite the crisis, the technical textiles segment remains one of the most promising in the Russian light industry in terms of its future prospects. Unlike textiles for non-technical applications, which currently remain in stagnation, the Russian technical textiles industry is expected to grow by 7% in value terms this year.

Under the terms of the project, the volume of production at the enterprise at the initial stage will be about 400,000 sq. m. of technical fabrics per month, with a possibility of a significant increase in due course. As part of the company's strategy, the production volume will reach 900,000 sq. m. during the second stage of the project, which is scheduled to launch in the middle of 2017. According to some sources close to Rabeks, the volume of investments in the project may reach US$ 30 million at the initial stage. According to Victor Evtukhov, Russia's Deputy Minister of Industry and Trade, the launch of the Kursk plant is just the beginning, and during the next several years the number of facilities in Russia, specialising in the production of technical textiles and nonwovens, should be increasing significantly.

As part of the government's plan, the Tatarstan Republic, one of Russia's most economically developed regions, will be the centre of further development of the national technical textiles and nonwovens industry of Russia for the coming years. That will also be due to the rich petrochemical base of the region, which should create conditions for the establishment of new industry's enterprises within the region in the coming years. It is also planned that further growth of the industry will be achieved through the increase of the state support. At present, the annual volume of state support of the Russian technical textiles industry is estimated at RUB 2 billion (US$ 40 million) and there is a possibility that it could be increased in the coming years. The majority of these funds are allocated for the repayment of interest rates on loans that are mainly attracted by producers for the purchase of raw materials and other products. At the same time, despite numerous calls of producers for the increase of state support, the Russian government plans to provide further support only on the basis of the industry's performance and its further results. This means that the quality of domestic products should significantly grow in the coming years, with the aim to compete with Western imports

Source : The Innovation in Textiles

Demonetization Roll Out

The Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani had issued a directive to all the Export Promotion Councils and other associations to take feedback from their respective members on any constraints faced by them in payment of wages to their workers on account of the 'Demonetization' roll out.

The Council sent a mail to all its members on 21st November 2016 requesting for their feedback. This was followed up with a reminder mail on 24th November 2016.

In this context, our Chairman, Shri Anil Rajvanshi, too has sent out a strong message to workers engaged in the MMFT industry, which reads as follows:

"Demonetization is a step towards the welfare of all workers. Please accept your wages by cheque only and put an end to your exploitation. Know your rights."

New markets to be explored for textile exports

The decline in exports of textiles has prompted India to explore new markets being served till now by competitors such as China, along with the traditional ones. The Textiles Ministry of India is planning to conduct road shows in order to promote exports of textile products in the new markets. Since road shows have been held successfully in the past, they plan to use the same approach for the new markets. Countries in South America, West Asia and Russia have been identified to boost our exports in textiles. The plan to hold road shows in these overseas markets comes in the wake of a 3.3% decline in exports in 2015-16 to $40 billion from $41.4 billion in the previous year, primarily due to India losing some of its competitive edge to Bangladesh and Vietnam. Textiles sector is among the largest contributors to India's exports, with a share of almost 11%. The US, European Union and parts of Asia have traditionally been the main markets for Indian textile and apparel exports. In the month of June 2016 the Indian Govt. announced a package to the tune of Rs. 6000 crores for the textiles and apparels sector, to enable us wrest a bigger share of the global pie. In addition to expanding our exports, these road shows shall also benefit the domestic textile industry, which employs about 40 million workers and 60 million indirectly. Russia and West Asia are not our traditional markets but have been developing as important destinations in recent years.

The textiles ministry, which has set a target of doubling textile exports in 10 years, plans to enter into bilateral agreements with Africa and Australia, along with working on a new textile policy to promote value addition.

Source: Yarn and fibres

FTA with EU to boost textile exports

The Government appreciates the significance of signing the free-trade agreement with EU and the consequent advantages it holds for the country. The Secretary Textiles, Smt. Rashmi Verma, has informed that the Textile Ministry is in constant touch with the Ministry of Commerce to pursue an FTA with EU to boost international trade especially in the textile sector. Smt. Verma pointed out that while Bangladesh enjoys preferential treatment and tax benefits for textile exports, India has greater competitive advantage in terms of environmental compliances.

As countries of the European Union lay huge importance to environmental compliances, India stands to gain over Bangladesh, she said, laying out the benefits for the country arising post the free trade agreement. Observing that India's textile industry was at a turning point, Smt. Verma said that on one hand, China's export growth in textiles is decreasing, India, riding on cost advantage, has a huge potential to play a prominent role in international textile trade. She further said that roll out of the Goods and Services Tax will greatly help in streamlining the tax structure and improve compliance.

Source: Business Times

Textile industry urges for inclusion of traders in GST council

Trade and industry sources have voiced concern over exclusion of traders in the GST Council. Stressing the need for formation of a GST Trade Committee under the GST Council, the Senior President of Tamil Nadu Chamber of Commerce and Industry Shri S Rethinavelu said that the association has appealed to the Centre to consider forming an internal committee. “Representatives of leading chambers of commerce from all states could be members of this trade committee and decisions on all crucial matters relating to GST be taken only after discussion and in consultation with this committee,” he said. “The model GST law, which is in the public domain, will be corrected by the GST Council.

SOURCE: The Hindu Business Line

Use of Technology and pooled efforts of various Ministries to help growth of textile sector

Smt. Smriti Irani, Hon'ble Union Minister of Textiles has stressed on use of technology and pooled efforts of various ministries for the growth of textile sector in India. The Hon'be Minister said that the textile sector in India has huge potential on account of the availability of cheap labour in the country.

Smt. Irani also stressed on collaborated efforts of all Ministries for a constructive growth strategy. The Minister said that she receives full-fledged support from Finance Minister Arun Jaitely and Commerce Minister Nirmala Sitharaman – the two ministries closely associated with the functioning of the Irani headed Textile Ministry.

Smt. Irani also stressed on the need to upgrade the skills sets of labour as well as the use of improved technology. She said that a composite structure should come up to enhance the labour and technology available for apparel sector in the country. She said that the mechanism of exporting raw material and importing manufactured product needs to be sorted out. “Raw material goes out from India and then comes back after being manufacture overseas, needs to be worked at,” she said.

SOURCE: The Financial Express

India to work towards consensus for BIMSTEC

India has said that it will work actively to get a consensus on signing of a free trade agreement (FTA) between the member countries of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) to boost trade in goods and services in the region.

The Hon'ble Commerce Minister Smt. Nirmala Sitharaman said. BIMSTEC members, which include Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal, signed a framework agreement on a FTA in 2004, but not much progress has been made since then.

She also called for greater buoyancy in implementation of projects in the BIMSTEC region. She said the complementarity of the region could be highlighted to close in on the agreements that are being discussed. Nepal's Commerce Minister Shri Romi Gauchan Thakali, urged that the special treatment given to least developed countries (LDCs) in the region be continued as it has definitely resulted in successful business exchanges.

Smt. Sithraman said that connectivity was a major problem that the region faced, pointing out that it was "shame'' to move around in this (BIMSTEC) region. "… the Bay of Bengal links us, land routes link us, in spite of that, travelling is so arduous," she said. The Minister also stressed on the need to improve sea and port connectivity to make movement of goods efficient, cost- effective and timely.

SOURCE: The Hindu Business Line

GST to bring a new regulator regime

The Goods & Service Tax (GST) will usher in a new regulatory regime for India's exports. For the manufactured product exporters, the most significant impact would be the increased requirement and blockage of working capital. For manufacturing a product, a firm buys locally or imports raw material and machinery. The current export schemes allow firms to buy these without payment of applicable duties through ab-initio exemption or subsequent refund of duties. The proposed GST system mandates that all duties must be paid at the time of a transaction while refund for these can be obtained after exports. This means the exporter will have to arrange money for the inputs, manufacturing and payment of duties and taxes.

Currently, the SEZ developer and units can import their requirements duty-free. Also, the supplies made by the domestic units to SEZs are considered exports and hence are free from payment of taxes and duties. Not anymore. The model GST law defines exports as taking goods and services out of India to a place outside India. And India is defined to include the Exclusive Economic Zones lying at 200 nautical miles beyond territorial waters. Since SEZs are within Indian Territory, these would be reduced to the status of a normal domestic firm. This means, no duty or tax exemptions on imports or exports would be admissible. Imports into SEZ will attract IGST while supplies to SEZs will attract CSGT and SGST or IGST. With average value addition at SEZ already less than 10 per cent, the new law may make many SEZs unviable. The GST will also affect the supplies defined as deemed exports. Currently, the supplies to projects under International Competitive biddings (ICB), mega power plants and World Bank funded projects are exempted from central taxes. This has been done to enhance competitiveness of Indian firms participating in global tenders or large scale bids. Post GST, these supplies, currently termed as deemed exports will become taxable where no refund would be available.

The provision of no exemption and only refund will lead to blockage of about Rs. 1,85,500 crore annually for the manufactured goods exporters. This figure considers export value of $200 billion, an average 30 per cent value addition over the inputs and cost of capital at 12 per cent. Capital at 12 per cent in India is way too high compared to 0-1 per cent in most developed countries. And secondly, most SMEs can't get capital even at 12 per cent. The more sophisticated a product, higher is the need for external sourcing of inputs, leading to higher requirement and blockage of working capital.

The working capital blockage issue can be resolved without compromising the integrity of the GST model. Allow firms to pay tax on transactions leading to exports through e-currency. This would be of the nature of an IOU where a firm would agree to set off its IOUs with the actual payment within an year or at the time of the completion of exports, whichever is earlier. A firm can be allowed to use IOUs equal to the value past year's export performance. This solution keeps the current GST framework of making payment first, refund later, intact.

SOURCE: The Hindu Business Line

PM calls for intra-BRICS trade target of US$500 billion by 2020

The 8th BRICS Summit concluded recently with the Hon'ble Prime Minister Shri Narendra Modi calling upon leaders of the group of emerging economies to double the size of intra-grouping trade to $500 billion by next five years. "In 2015, intra-BRICS trade stood at about $250 billion. We should set ourselves a target to double this number to $500 billion by 2020," Shri Modi said addressing the BRICS (Brazil, Russia, India, China, South Africa) leaders plenary here. "This requires businesses and industry in all five countries to scale up their engagement. And, for governments to facilitate this process to the fullest," he said. "Our agreement on a tax and custom cooperation framework is a good start," he added, referring to an outcome of the summit here.

In the report, the council has recommended the member countries to continue dialogue for a new rating agency for emerging economies. Besides, with a huge scope for intra-BRICS cooperation in infrastructure development and financing, the formation of a group of angel investors was also one of its key recommendations. In addition to the expansion of the BRICS agenda, the council also emphasized on the need to enhance business cooperation in agriculture by way of sharing of best practices among members. Addressing the gathering, BRICS New Development Bank President Shri K.V. Kamath said the lender is targeting incremental revenue of $2.5 billion in the next year and that member countries would be approached to mobilize funds through bond markets. "Looking forward, we are targeting incremental revenue of $2.5 billion for the next year and we believe that this will be largely in the area of sustainable infrastructure, green infrastructure... we plan to raise $1.5 billion through bonds," he said. He also said that the NDB had begun the process of establishing its credentials as an institution which supports green and sustainable infrastructure. Shri Kamath also said that the bank would seek to mobilize funds in the markets of the member countries, adding that there were plans to approach the bond market in India as part of the exercise. Talking to media later on the sidelines, Shri Kamath said that the Shanghai-headquartered NDB, which has completed one year of operations, had approved loans to the tune of $911 million for development of the renewable energy sector in member countries.

SOURCE: The Economic Times

India and Brazil finalize text for bilateral investment deal

Seeking to scale up their economic engagement, India and Brazil today finalized the text of a bilateral investment deal and decided to expand overall ties even as the two countries sought united global action without “distinction” or “discrimination” to deal with terrorism. After holding wide-ranging talks with Brazilian President Mr. Michel Temer, the Hon’ble Prime Minister Shri Narendra Modi said India deeply appreciated Brazil’s support to its actions in combating terror, noting both countries will work for early adoption of the Comprehensive Convention against International Terrorism (CCIT) by the UN. In the talks, Mr.Temer supported New Delhi’s bid for membership of the Nuclear Suppliers Group and conveyed to the Indian PM that Brazil will work with other member countries of the elite bloc to facilitate India’s entry into it.

The two leaders met a group of CEOs of top companies from both countries to explore ways to deepen economic engagement. “We have also made progress in opening new areas of cooperation during this visit in the areas of drug regulation, agricultural research and on cyber security issues. President Temer and Mr. Modi also agreed to intensify and strengthen coordination in important international forums. There is much that is common in our approach and positions. We shall work closely at the United Nations, the G-20, G-4, WTO, BRICS, IBSA and other important platforms.

SOURCE: The India

Over 200 applications received from IT and fintech companies for GST

Goods and Services Tax Network (GSTN), the agency in charge of building the technological infrastructure for the implementation of GST, has received over 200 applications from IT and fintech companies who seek to become GST Suvidha Providers, but there are very few startups among them. The GST Suvidha Provider (GSP) will offer products and services to help tax payers and businesses in compliance. While leading tech companies such as SAP India, Tally Solutions, Vayam Technologies and Mastek BSE 0.71 % Holdings have sought to become GSPs, Clear Tax seems to be among the few startups to have applied. The problem is the stringent criteria related to paid-up capital and turnover.

An IT/ITeS or financial company looking to become a GSP must have paid-up (raised) capital of at least Rs 5 crore and an average turnover of at least Rs 10 crore during the last three financial years. “We kept the criteria stringent because, at the beginning, we want companies who are tested and whom we can rely on, since we are also building our own infrastructure. Also, we cannot handle a large number of GSPs right in the beginning,” GSTN chairman Shri Navin Kumar told ET. “However, we are not barring startups from applying, and we have given a notification that even companies that don’t fit the criteria can apply and we will consider them in the next phase of selecting GSPs,” he added.

ClearTax’s B2B business of providing software products to businesses brings 60% of the company’s revenue, and is expected to grow to 65% after integration with the GST ecosystem, said CEO Archit Gupta. “Startups have an important role to play in the GST ecosystem for their speed of innovation and the quality of the products. They should be encouraged to become GSPs,” he said.

SOURCE: The Economic Times

India-Myanmar for maintaining security in border areas, boost ties

India and Myanmar recently vowed to maintain security in the shared border areas during a meeting between the Hon’ble Prime Minister Narendra Modi and State Counsellor of Myanmar Ms. Aung San Suu Kyi. Both the countries share a 1,640-km-long border. “As close and friendly neighbours, the security interests of India and Myanmar are closely aligned. We have agreed that close coordination to ensure security in the areas along our border, and sensitivity to each other's strategic interests will serve the interests of both our countries," Shri Modi said after the meeting. India and Myanmar also agreed that the border guarding forces on both sides would further coordinate and exchange information toward securing the common borders. It was also agreed that both sides will "expedite discussions" regarding the relevant border segments.

To facilitate easy movement of people across the land borders for business, tourism and other purposes, both sides also agreed to coordinate, through diplomatic channels, the setting up of immigration facilities at the Tamu-Moreh and Rhi-Zowkhathar border crossing points. In an effort to boost trade investment ties, India and Myanmar inked three agreements for cooperation in sectors such as power, banking and insurance. Addressing the Confederation of Indian Industry (CII) later, Ms. Suu Kyi said India's investment in Myanmar must be linked to the country's overall development. She said Myanmar will roll out investment norms that will accord equal treatment to foreign companies.

SOURCE: The Hindu Business Line

US says India has much potential for increasing bilateral trade

The US recently said there is "much potential" for increasing bilateral trade with India and the country needs to further improve its business environment and liberalize its economy to attract investments. US Trade Representative Mr. Michael Froman, who was leading a high-level delegation here for the 10th India-US Trade Policy Forum meeting, said the country is proud to be India's top trading partner and in 2015 their bilateral trade was over $109 billion. "US is the number one destination for India's exports purchasing more than 15 per cent of all Indian goods and services exports. India has a $30 billion trade surplus with the US, largest surplus it has with any country. But for economies of our size, 17 trillion dollars for the US, 2 trillion dollars for India, there remains much potential," Froman said addressing a conference here.

Pointing out that businesses are keenly sensitive to the business environment while taking investment decisions, he said there needs to be continued work on improving the business environment if India wants to attract the kind of investment, domestic and foreign, that meet its aspirations. "India's has recently seen a positive trend in investment activity but it should not be complacent," Mr. Froman said. "To be home of globally competitive businesses and to ensure that Indian consumers fully access the benefits of the world economy, India should continue down the path opening its economy," he added. The US also asked India to adopt a comprehensive intellectual property protection policy saying it would be the key for development of robust knowledge-based economy. Mr. Froman said reforms under the national IPR policy will be fundamental to preserving and promoting the innovation that characterizes the Indian industry.

SOURCE: The Financial Express

Government to extend Rs.6000 crores to the made-ups and home textiles segment

The Central government is likely to extend the recently approved Rs 6,000 crore special package (for the garment sector) to the made-ups and home textiles segment. This will lead to increased consumption of domestically produced textiles including fibre, yarn and fabrics, while generating sizeable new employment, the Hon'ble Union textiles minister Smt. Smriti Irani said. "The ministry is actively considering extending the special package recently approved for the garment sector to the made-ups and home textile segments. An announcement for the same is likely to be made around Diwali," she said in Mumbai recently. The made-ups and home textiles sector is equally labour intensive as the apparel sector, and has the capability of creating sizeable new employment opportunities. At the same time, the extension of a special package will act as a pull factor for increased consumption of fibre, yarns and fabric produced domestically, she said. The minister appreciated the industry's efforts to remain a leading exporter. She assured all help from her ministry to the cotton textile industry.

SOURCE: Fibre2fashion

India advises against using RTA to change structure of multilateralism

India has cautioned other countries against using regional trade agreements to change the structure of multilateral trade pacts of the World Trade Organisation. "Emphasizing the primacy of multilateralism, It was cautioned against use of RTAs to make fundamental changes in the architecture of the WTO agreements," said an official statement quoting the Hon'ble commerce and industry minister Smt. Nirmala Sitharaman, who was on a two day visit to Norway for a ministerial meeting to set the stage for the Eleventh Ministerial Conference of the WTO to be held in Buenos Aires, Argentina in December next year. "Commerce Minister highlighted the centrality of the development dimension of the Doha Round...She underscored the need for prioritizing the implementation of Bali and Nairobi Ministerial Decisions," as per the government.

SOURCE: The Economic Times

❖❖

SMART TEXTILE MOVEMENT – DOES IT HOLD THE FUTURE FOR MMFT?

Clothing has been communicating its wearer's identity for thousands of years and now, with the trend toward wearable technology taking off, what we adorn is starting to communicate in totally different ways

There is a major shift in textiles from those that basically don't have any smart properties to those that have a purpose," Nancy Marino, a partner at Columbus Consulting. Today, it's all about performance, she added, and consumers are seeking products that help them manage their health, manage their exercise routines and generally just help them do more.

But it isn't that consumers are seeking function over fashion. Consumers don't wear a shirt to charge their phone, but if a shirt can charge a phone it would be a great value addition. Today, textiles can monitor hearts, regulate body temperature, protect baseball players from injury and serve as early warning systems for breast cancer, like the Space Bra.

Researchers at the European Space Agency developed a body-monitoring bra using a shape memory alloy called Nitinol that can detect changes in form, for one, and spot early signs of diseases like breast cancer. Then there's Lyf Shoes, a made-to-fit footwear line that has Heel Lock technology built into the shoe's insole that can gather information about the wearer's walking patters and whether they pronate (inward movement of the foot as it rolls to distribute the impact on hitting the ground while running), for example, so that their next tailored pair can fit even better.

The key is the marriage of fashion houses and technology giants. The wearable textiles of tomorrow shall need to factor in the safety angle, factor in the environment bit as health and hazardous exposure gets magnified. Today this is a niche segment; however, as per experts, in five to seven years it shall become the trend as a consumer shall expect the shirt or the sock that is worn to provide feedback.

Whether all of this translates into greater potential for Synthetic and Manmade Fibres that are seemingly in a better position to embrace the demands of technology or whether newer, greener and other natural fibres are developed through R & D remains to be seen. However, the writing on the wall is clear and manufacturers of MMFT have to prepare themselves well to ride this wave of Smart Textiles Movement.

Source: Sourcing Journal (except the last paragraph)

ATTENTION : MEMBERS

Renewal of Membership 2016-2017

Kindly refer to the Council's letter no.Secy/Mem/198 dated 22nd March, 2016 and the Subscription Memo sent along with the Circular in this regard to all members regarding renewal of your Membership of the Council for the year 2016-2017.

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

In view of the above, members who have not yet sent the renewal fee are requested to send the Membership Subscription Fee for the year 2016-2017 at the earliest.

The annual Membership fee is as follows:

For SSI Units	:	₹ 7,418 (including service tax of 15%)
For others	:	₹ 11,443 (including service tax of 15%)

SOUTH KOREA DRAFT TECHNICAL REGULATIONS FOR TEXTILE & LEATHER PRODUCTS

In October 2016, the Korean Agency for Technology & Standards (KATS) issued draft standards for textile and leather products, with a view to establishing the following:

- Safety conformation criteria for textile products for Infants i.e. electrical safety requirements for textile products for infants including Li-ion battery and for nonylphenol and nonylphenol ethoxylate are added
- Safety and quality mark criteria for textile products and leather products including Li ion battery are added. According to the Safety and Quality Mark System, manufacturers or importers should indicate labeling of safety or quality if their products are subject to safety and quality mark
- Supplier conformation criteria for leather and textile products for children
- Safety and quality mark criteria for textile products and leather products. Products referred are internal corded window blinds, curtains (including drapes) and interior blinds: curtains or bed valances (HS code: 6303)

According to the Safety Conformation System, manufacturers or importers are required to confirm safety by reporting to the safety certification body with attachments of test and inspection body certificates from testing laboratories and inspection bodies designated by models of the products before product release or clearance through the customs to identify whether they conform to the safety criteria.

There has been a decline in the number of operations and employees in recent years in Korea due to labour shortages, rising costs and growth in competition from other Asian countries with far lower production costs. Apparel companies have also moved their manufacturing operations to China, Vietnam, Cambodia and Bangladesh to lower their production costs. These companies are producing apparel goods using technical textiles in its foreign operations. Additional challenges are intense market competition and the enhancement of competitions in other countries.

Korea has acknowledged that in order to maintain its textile sector it will require increasing the certification with a high level of knowledge, technology and textile expertise. Their demand position may be strengthened by the India-Korea FTA and other trade agreements that Koreas has entered into. These FTA's will necessitate the introduction of advanced technology, thereby creating an urgent need to achieve differentiation in textile fabrics, textile and leather products as against the import of cheap clothing from developing countries. Therefore, there is an increasing demand from new sectors. There is a strong need for textile and leather products as well as apparels for protection and health care.

Source: ITP

❖❖

INTERNATIONAL COTTON ADVISORY COMMITTEE MEETING – TAKE AWAYS FOR MMFT

The International Cotton Advisory Committee (ICAC) met in Islamabad, Pakistan from 30th October to 4th November 2016 for its 75th Plenary Meeting. The theme was "Emerging Dynamics in Cotton: Enhancing Sustainability in the Cotton Value Chain".

It was clearly established at the meeting that the greatest competitive threat to the Cotton Industry is from Polyester which has made significant gains in the market for downstream products, such as yarn, filament, staple and apparel.

This has also been on account of the government support measures that have stimulated capacity in the Polyester industry world over. Taking cue, the Cotton industry in various countries proposes Govt. support in line with the one that has been provided to MMFT. However, with decreasing acreage of production (on account of its high water and energy requirements) and increasing production of bio-fuel generating crops in the world, increasing the production capacity of cotton shall always be a challenge.

This is an ideal time for manufacturers of MMFT in India to shift gear and move into value added products that are innovative, adhere to the environment related factors, use technology to create smart fabrics and apparel and consequently move up the textile value chain. The problems and limitations that have engulfed the cotton industry and are weighing down the growth should serve as a boost to MMFT stakeholders to invest in R & D, use of newer technology and thus increase the gap in output and growth vis a vis the cotton industry.

Data on the supply and distribution of cotton indicates that the production of Cotton by India as a percentage to the total cotton produced by the world has remained steady between 22 to 26 % over the last 5 years. Similarly, consumption of cotton in India relative to the world consumption has remained steady between 18 to 22% over this period. However, exports of cotton from India, as compared to the world exports have reduced significantly from 22 to 11% over the past 5 years. Vietnam, Bangladesh and Turkey are the countries that have exhibited an increasing trend to import cotton. MMFT industry must get their act together to focus on increasing exports of their products to these countries to ensure that the share of MMFT does not drop vis a vis that of cotton.

Source: Report based on the statement of meeting sent by ICAC secretariat

❖❖

INDEX OF INDUSTRIAL PRODUCTION (IIP)
(APRIL-SEPTEMBER 2016-17)

HIGHLIGHTS

- The Index of Industrial Production (IIP) increased by 0.7% in the month of September, 2016 over the index of September, 2015.
- The Cumulative overall growth of IIP registered decline of 0.1% during the period of April-September 2016-17 as compared to the same period of the previous year.
- The Index of Industrial production for the month of September 2016 for Textiles sector grew by 4.1% as compared to September 2015. The cumulative growth in Textiles Sector during April-September 2016-17 over the corresponding period of 2015-16 has been 3.4%.
- The index of manufacturing sector has increased by 0.9% during the month of September 2016, while the cumulative growth during April-
- September 2016-17 over the corresponding period of the previous year has declined by 0.8%.

The Statement below gives the Quick Estimates of growth rate of the Index of Industrial Production (IIP) at 2 digit level of National Industrial Classification (NIC-2004) for the period of April- September 2016-17, along with the cumulative growth rates over corresponding month/period of the previous year:

Industry code	Description	Percentage growth				
		April '16	Aug '16	Sept'16	Apr-Sept 2016-17	Apr-Aug 2015-16
17	Textiles	3.4	3.1	4.1	3.4	3.1
18	Wearing apparel	1	19.5	-5.7	-3.3	-3
15-36	Manufacturing	-3.1	6.9	0.9	-0.8	-1.2
	General	-0.8	6.4	0.7	-0.1	-0.3

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

❖❖

SRTEPC MEMBERS DIRECTORY

The Synthetic & Rayon Textiles Export Promotion Council in commemoration of its 60 years service to the industry, presents the 1st edition of Members Directory with over 3400 entries covering the details of manufacturers/exporters of MMF textiles and blended textile items including Fibre, Yarn, Fabrics, Made-ups, Home textiles, etc. Directory also includes information on members contact details, Authorized representatives, products, export destinations, etc.

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

Printed Copy – ₹ 1,000/ - US$50/- (Including delivery Charges)

For further information and request for supply of Directory may be sent to Shri Anand Haldankar, Joint Director :
E mail : anand@srtepc.in/Mrs Barbara Mendes, Sr. Executive E-mail : barbaram@srtepc.in.

TRADE BARRIERS IN INTERNATIONAL TRADE

Trade barriers are measures that governments or public authorities introduce to prevent or restrict overseas trade and investment. They are often called "protection" because their stated purpose is to shield or advance particular industries or segments of an economy. As a result of these measures, domestic companies receive a competitive advantage relative to their foreign counterparts.

Most trade barriers work on the same principle: the imposition of some sort of cost on trade that raises the price of the traded products. If two or more nations repeatedly use trade barriers against each other, then a trade war results.

Trade barriers can be broadly divided into the following two categories:

1. Tariff Barriers
2. Non Tariff Barriers

TARIFF BARRIERS

Tariffs, which are taxes on imports of commodities into a country or region, are among the oldest forms of government intervention in economic activity. They are implemented for two clear economic purposes. First, they provide revenue for the government. Second, they improve economic returns to firms and suppliers of resources to domestic industry that face competition from foreign imports. The different types of Tariff Barriers are as follows:

1. **Specific Duty:** Specific duty is based on the physical characteristics of goods. When a fixed sum of money, keeping in view the weight or measurement of a commodity, is levied as tariff, it is known as specific duty.

   For instance, a fixed sum of import duty may be levied on the import of every barrel of oil, irrespective of quality and value. It discourages cheap imports. Specific duties are easy to administer as they do not involve the problem of determining the value of imported goods. However, a specific duty cannot be levied on certain articles like works of art. For instance, a painting cannot be taxed on the basis of its weight and size.

2. **Ad valorem Duty:** These duties are imposed “according to value.” When a fixed percent of value of a commodity is added as a tariff it is known as ad valorem duty. It ignores the consideration of weight, size or volume of commodity.

   The imposition of ad valorem duty is more justified in case of those goods whose values cannot be determined on the basis of their physical and chemical characteristics, such as costly works of art, rare manuscripts, etc. In practice, this type of duty is mostly levied on majority of items.

3. **Combined or Compound Duty:** It is a combination of the specific duty and ad valorem duty on a single product. For instance, there can be a combined duty when 10% of value (ad valorem) and Re 1/- on every meter of cloth is charged as duty. Thus, in this case, both duties are charged together.

4. **Sliding Scale Duty:** The import duties which vary with the prices of commodities are called sliding scale duties. Historically, these duties are confined to agricultural products, as their prices frequently vary, mostly due to natural factors. These are also called as seasonal duties.

5. **Countervailing Duty:** It is imposed on certain imports where products are subsidised by exporting governments. As a result of government subsidy, imports become more cheaper than domestic goods. To nullify the effect of subsidy, this duty is imposed in addition to normal duties.

6. **Revenue Tariff:** A tariff which is designed to provide revenue to the home government is called revenue tariff. Generally, a tariff is imposed with a view of earning revenue by imposing duty on consumer goods, particularly, on luxury goods whose demand from the rich is inelastic.

7. **Anti-dumping Duty:** At times, exporters attempt to capture foreign markets by selling goods at rock-bottom prices, such practice is called dumping. As a result of dumping, domestic industries find it difficult to compete with imported goods. To offset anti-dumping effects, duties are levied in addition to normal duties.

8. **Protective Tariff:** In order to protect domestic industries from stiff competition of imported goods, protective tariff is levied on imports. Normally, a very high duty is imposed, so as to either discourage imports or to make the imports more expensive as that of domestic products.

NON-TARIFF BARRIERS

A non tariff barrier is any barrier other than a tariff that raises an obstacle to free flow of goods in overseas markets. Non-tariff barriers, do not affect the price of the imported goods, but only the quantity of imports. Some of the important non-tariff barriers are as follows:

1. **Quota System:** Under this system, a country may fix in advance, the limit of import quantity of a commodity that would be permitted for import from various countries during a given period. The quota system can be divided into the following categories:
   - **Tariff/Customs Quota:** Certain specified quantity of imports is allowed at duty free or at a reduced rate of import duty. Additional imports beyond the specified quantity are permitted only at increased rate of duty. A tariff quota, therefore, combines the features of a tariff and an import quota.
   - **Unilateral Quota:** The total import quantity is fixed without prior consultations with the exporting countries.
   - **Bilateral Quota:** In this case, quotas are fixed after negotiations between the quota fixing importing country and the exporting country.
   - Multilateral Quota: A group of countries can come together and fix quotas for exports as well as imports for each country.
2. **Product Standards:** Most developed countries impose product standards for imported items. If the imported items do not conform to established standards, the imports are not allowed. For instance, the pharmaceutical products must conform to pharmacopoeia standards.
3. **Domestic Content Requirements:** Governments impose domestic content requirements to boost domestic production. For instance, in the US bailout package (to bailout General Motors and other organisations), the US Govt. introduced 'Buy American Clause' which means the US firms that receive bailout package must purchase domestic content rather than import from elsewhere.
4. **Product Labelling:** Certain nations insist on specific labeling of the products. For instance, the European Union insists on product labeling in major languages spoken in EU. Such formalities create problems for exporters.
5. **Packaging Requirements:** Certain nations insist on particular type of packaging materials. For instance, EU insists on recyclable packing materials, otherwise, the imported goods may be rejected.
6. **Consular Formalities:** A number of importing countries demand that the shipping documents should include consular invoice certified by their consulate stationed in the exporting country.
7. **State Trading:** In some countries like India, certain items are imported or exported only through canalising agencies like MMTC. Individual importers or exporters are not allowed to import or export canalised items directly on their own.
8. **Preferential Arrangements:** Some nations form trading groups for preferential arrangements in respect of trade amongst themselves. Imports from member countries are given preferences, whereas, those from other countries are subject to various tariffs and other regulations.
9. **Foreign Exchange Regulations:** The importer has to ensure that adequate foreign exchange is available for import of goods by obtaining a clearance from exchange control authorities prior to the concluding of contract with the supplier.
10. **Other Non-Tariff Barriers:** There are a number of other non – tariff barriers such as health and safety regulations, technical formalities, environmental regulations, embargoes, etc.

TRADE RESTRICTIONS THAT ARE NOT BARRIERS

Linguistic and cultural differences are examples of obstacles to trade that cannot be removed in the same way as a trade barrier. The fact that language and cultural differences in a particular market may make it difficult to penetrate the market. However, it is important to address this issue in order to export to that market. The same may apply to contact with the market and the collection of market information. To an exporter, these can be challenging that must be overcomed.

Obstacles to trade that are not actual trade barriers which prevent or restrict exports, even though they difficult to export can also be tackled. Through the various services of the Trade Council and through the Missions in the markets, exporters may often be assisted in handling these matters.

❖❖

FACTORING AND FORFAITING - FAQs

The word **'Factor'** has been derived from the Latin word means **'to make or to do'.**

A **factor**, i.e. a commercial bank or a specialized financial firm, can assist an exporter with financing through the purchase of invoices or accounts receivable. Export factoring is offered under an agreement between the factor and the exporter, in which the factor purchases the exporter's short-term foreign accounts receivable for cash at a discount from the face value, normally without recourse, and assumes the risk on the ability of the foreign buyer to pay, and handles collections on the receivables. Thus, by virtually eliminating the risk of nonpayment by foreign buyers, factoring allows the exporter to offer open accounts, improves liquidity position, and boosts competitiveness in the global marketplace.

Factoring foreign accounts receivables can be a viable alternative to export credit insurance, long-term bank financing, expensive short-term bridge loans or other types of borrowing that will create debt on the balance sheet. This method may be useful for more experienced exporters that are involved in multiple transactions and have a certain volume of yearly international sales.

The term **'Forfeit'** is French word means **'to give something or give up one right'**.

A **forfaiter** is a specialized finance firm or a department in banks offers non-recourse export financing through the purchase of medium-term trade receivables. Similar to factoring, forfaiting virtually eliminates the risk of nonpayment, once the goods have been delivered to the foreign buyer in accordance with the terms of sale. However, unlike factors, forfaiters typically work with the exporter who sells capital goods, commodities, or large projects and needs to offer periods of credit from 180 days to up to seven years.

In forfaiting, receivables are normally guaranteed by the importer's bank, allowing the exporter to take the transaction off the balance sheet to enhance its key financial ratios. Forfeiting typically requires a bank guarantee for the foreign buyer. It allows opening an account in markets with relatively high credit risk. It can be more expensive than commercial bank financing.

(1) What is Factoring ?

- A financial transaction
- A type of debtor finance in which a business sells it invoices to a third party at a discount.

(2) What are the other names for factoring?

- Accounts Receivable factoring,
- Invoice factoring,
- Accounts Receivable financing.

(3) Is factoring same as invoice discounting?

- No, factoring is not the same as invoice discounting.

(4) What is invoice discounting?

- An alternative solution to traditional types of business finance,
- Provides you with instant access to cash tied up in your outstanding invoices.
- This facility adapts with your business as it changes and grows, making it much more flexible than an overdraft or loan.

(5) Who or what is a Factor?

- A third party specialized in rendering a variety of factoring products and services, with experience and expertise in the lines of businesses covered.

(6) How does Factoring work?

- A factoring company purchases the accounts receivable (invoices) of the client.
- This purchase gives the client access to immediate funds which can be used to pay for business expenses.

(7) How much will a Factor prepay against an approved invoice?

- The general practice is for the client to keep his profits on each invoice as their equity into the business.
- A Factor will normally therefore prepay only to the extent of the cost of goods sold.

(8) What are the advantages of Factoring?

- **Financial Service**- Provides instant finance and gives opportunity to client to concentrate on other business activities
- **Collection Service-** Debts are collected by the factor (third party). This helps then client to concentrate on production etc.
- **Credit Risk Service-** Entire risk is borne by factor.
- **Sales Ledger Management Service-** Factoring helps client by sending monthly sales, collection analysis etc.
- **Consultancy Service-** Factors collect information about credit worthiness of the customers, ascertain track record, advice client on import finance matters etc.

(9) What are the disadvantages of Factoring?

- **Uneconomical**- It is too costly for small companies with less turnovers.
- **Ruined customer relations-** It may lead to ruined relations with the customers especially if factor engages in unprofessional practices when collecting accounts.
- **High Cost-** Cost involved in factoring agreement may be more than the cost of other methods of financing available in the business
- A new company does not get the benefit of factoring as factors only purchase the invoices of a reputed company.

(10) How is Factoring different from a bank lending Facility?

- A Factoring company undertakes a transaction based on the quality of the receivables and is able to turn around a funding proposal within days.

(11) How much does Factoring cost?

- The cost structures of factoring companies vary across the world.

- The usual heads of costs include an interest charge for the funded amount and service fees on transactions.
- Add-on services availed of like credit protection and collection, etc. could be charged separately depending on the package structure with the client company.

(12) Is factoring suitable for every company?

- No, factoring is not suitable for every company.

(13) When is factoring not suitable for a company?

- Where the credit offered to customer is more than 180 days.
- Where there are contra sales, consignment sales or sale to return arrangements.
- Where most of the sales are to associated companies.
- Where sales are for retail consumers or small retail outlets.

(14) What are the Steps involved in Factoring?

- Step 1 : Buyer places the order with the exporter.
- Step 2 : Exporter obtains a prepayment limit from the Bank.
- Step 3 : Exporter delivers goods/services to the Buyer.
- Step 4 : Copies of Invoices, along with a Notice to Pay, are submitted to the Bank.
- Step 5 : Bank makes a prepayment advance to the Exporter.
- Step 6 : Bank follows up on payment with the Buyer.
- Step 7 : Buyer makes payment to the Bank.
- Step 8 : Bank makes the balance payment to the Exporter.

(15) What is Forfaiting?

- Purchasing of Accounts Receivables (in the form of Promissory notes, bills of exchange, deferred payment letters of credit, letters of guarantees etc.) from Exporters by Forfeiters who assumes all the risks involved with the Account Receivables.

(16) How much does Forfaiting cost?

- The costs elements quoted are the discount rate (for the period financial plus grace etc.) and a transaction fee.
- Forfaiting works on a discount to yield principle where the Accounts Receivable value is financed after deducting the accruable interest charges etc.

16) What are the advantages of Forfaiting?

- **Better Liquidity**- Exporter gets better liquidity as the receivables get easily converted into cash on the presentation of the bill or promissory note.
- **No risk -** There is no risk of exchange rate fluctuations.
- **Simple-** It is simple as well as flexible in nature and hence can be altered to suit the requirements of the exporters.

(17) What are the disadvantages of Forfaiting?

- **Costly**- It is very expensive from exporter point of view because banks take high fees for forfeiture due to high risks involved in it.
- **No secondary market**- There is no secondary market for these types of instruments hence there is lack of liquidity for these instruments.

(18) What are the Steps involved in Steps in Forfaiting?

- Step 1 : Forfaiter (Agency) and Exporter agreed upon a Forfaiting Agreement.
- Step 2 : Sales Contract has been signed between Exporter and Importer.
- Step 3 : Shipment is initiated by the exporter.
- Step 4 : The importer obtains a guarantee from his bank.
- Step 5 : Exporter gives documents to forfaiter.
- Step 6 : Forfeiter controls the documents pays for them as indicated on the Forfaiting Agreement.
- Step 7 : Forfeiter presents documents to bank at maturity date.
- Step 8 : Importer pays to bank at maturity date.
- Step 9 : Bank pays to forfeiter at maturity date.

(19) What is the difference between Factoring and Forfaiting

Sr. No.	Factoring	Forfaiting
1	Factoring is for short term and medium term credit periods.	Forfaiting is for medium to long term credit periods.
2	It requires continuous arrangement between factor and client, whereby all sales are routed through factor.	Seller need not route or commit other business to the forfeiter. The deal is transaction specific.
3	Separate charges are applied for financing, collection, administration, credit protection and providing information under factoring.	Single discount charges are applied depending upon, availing bank, country risk, credit period involved and currency. Only additional commitment fee is levied. It is suitable for ongoing open account sales, not require continuous arrangement between factor and client, whereby all sales are routed through factor.
4	It is available for domestic as well as for export receivables.	It is available in respect of export receivables only and in freely convertible currency.

Source: India Factoring, Scribd, Lets learn finance, Exports.gov

❖❖

NOTICE

MINISTRY OF COMMERCE & INDUSTRY

DGFT

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 39/2015-2020	20.10.2016	Inclusion of Inland Container Depots located at Kalinganagar and Tumb Village (Taluka Umbergaon, District Valsad) as a Port of Registration under Para 4.37 of Hand Book of Procedures (2015-2020)	ICDs located at Kalinganagar and Tumb Village (Taluka Umbergaon, District Valsad) are included under para 4.37 (a) Hand Book of Procedures (2015-2020) for availing export promotion benefits under Chapter 4 of Foreign Trade Policy.	http://dgft.gov.in/Exim/2000/PN/PN16/PN.3916_Eng.pdf

MINISTRY OF FINANCE

CBEC - CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Notification No.136/2016-Customs (NT)	03.11.2016	Rate of exchange of conversion of the foreign currency with effect from 04th November, 2016	Vide this notification, CBEC hereby notifies the exchange rate of conversion of each of the foreign currencies into Indian currency or vice versa relating to import and export of goods. These rates shall be effective from 04.11.2016.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt136-2016.pdf
(2)	Notification No.135/2016-Customs (NT)	02.11.2016	Deferred Payment of Import Duty Rules, 2016	Board has granted permission to the Importers certified under Authoized Economic Operator programme (Tier- Two and Tier- Three) to make deferred payment of import duty vide this notification.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt135-2016.pdf
(3)	Notification No.134/2016-Customs (NT)	02.11.2016	Deferred Payment of Import Duty Rules, 2016	Deferred Payment of Import Duty Rules, 2016 shall come into force on the 16th day of November, 2016.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt134-2016.pdf
(4)	Notification No. 132/2016-Cus (NT)	31.10.2016	Amends Customs, Central Excise Duties and Service Tax Drawback Rules effective from 15.11.2016	These rules may be called the Customs, Central Excise Duties and Service Tax Drawback (Amendment) Rules, 2016 and shall come into force on 15th November, 2016.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt132-u-2016.pdf
(5)	Notification No. 131/2016-Cus (NT)	31.10.2016	All Industry Rates (AIRs) Drawback effective from 15.11.2016	The Government has announced the Revised All Industry Rates of Duty Drawback for 2016-17 vide this notification.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt131-u-2016.pdf
(6)	Notification No. 127/2016-Cus (NT)	20.10.2016	Rate of exchange of conversion of the foreign currency with effect from 21st October, 2016.	Vide this notification, CBEC hereby notifies the exchange rate of conversion of each of the foreign currencies into Indian currency or vice versa relating to import and export of goods. These rates shall be effective from 21.10.2016.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt127-2016.pdf

(7)	Notification No.125/2016-Customs (NT)	13.10.2016	Foreign Post office at Vijayawada, Leh and Hyderabad	Amendments in the Notification No. 63/94-Customs (NT) dated 21.11.1994 by inserting the following entries:- "(11) Sub - Foreign Post office at Vijayawada; (12) Sub - Foreign Post office at Leh; (13) Sub - Foreign Post office at Hyderabad.".	http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt125-2016.pdf
(8)	Circular No. 52/2016-Customs	15.11.2016	Regarding deferred payment of Customs duty	Attention is invited to Customs Notification No. 134/ 2016- Customs (NT) and 135/2016-Customs (NT) dated 02.11.2016 permitting importers certified under Authorized Economic Operator Programme as AEO (Tier- Two) and AEO (Tier- Three) to make deferred payment of duty of Customs.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ52-2016cs.pdf
(9)	Circular No. 51/2016-Customs	09.11.2016	Rebate of State Levies on Export of Garments-revised rates	Intimation about the Revised rates on garment exports under ROSL Scheme applicable to exports with Let Export Order dates from 15.11.2016 onwards.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ51-2016cs.pdf
(10)	Circular No. 50/2016-Customs	31.10.2016	Changes in AIRs of Drawback effective from 15.11.2016	The Central Government has revised All Industry Rates (AIRs) of Drawback vide Notification No. 131/2016Customs (N.T.) dated 31.10.2016. These AIRs take into account relevant broad average parameters including, inter alia, prevailing prices of inputs, input output norms, share of imports in input consumption, the rates of central excise and customs duties, incidence of service tax paid on taxable services which are used as input services in the manufacturing or processing of export goods, incidence of duty on HSD/ furnace oil, value of export goods, etc.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ50-2016cs.pdf
(11)	Circular No. 47/2016-Customs	20.10.2016	Rebate of State levies on Export of Garments-Implementation by CBEC	The Board informs the address of the Office of the Textile Commissioner and email- ids vide this Circular.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ47-2016cs.pdf
(12)	Instruction No. F. No. 605/71/2015-DBK	14.10.2016	Rationalization of procedures in handling exporters obligations under Export Promotion Capital Goods Scheme (EPCG) authorizations	Rationalized the procedures regarding handling exporters obligations under EPCG authorizations to ensure transparent random selection criteria and selection for 5% check being made at least at Joint/ Additional Commissioner level and the relevant exporter being always informed, on the date of selection itself, via official email communication that its case is selected for detailed checks.	http://www.cbec.gov.in/htdocs-cbec/customs/cs-instructions/cs-instructions-2016/instruction-605-71-2015-DBK-14102015.pdf

NOTICE

CBEC- CENTRAL EXCISE					
Sr. No.	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Notification No. 48/2016-CENT (NT)	07.10.2016	Seeks to amend Notification No. 27/2014-Central Excise(NT), dated 16.09.2014	Amendments made are as follows: in Notification No. 27/2014-CE (NT), which are as mentioned below:- 1For Chief Commissioner of Central Excise of Bhopal the place of jurisdiction changes from "Gwalior" to "Ujjain". 2) For Commissioner of Central Excise shall be change from "Gwalior" to "Ujjain". 3) For Commissioner of Central Excise-Audit or Appeal shall be change from Audit-I, Indore, from Audit-II, Raipur and from Appeal-I, Bhopal to Audit-I, Audit-II and Appeal-I respectively. Whereas in places of their jurisdiction "Ujjain" is inserted in place of "Gwalior".	http://www.cbec.gov.in/htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-nt2016/cent48-2016.pdf
(2)	Notification No. 47/2016-CENT (NT)	28.09.2016	Seeks to amend Notification No. 30/2014-CE (NT) dated 14th October, 2014	Amendment is made in principal notification no. 30/2014-CE (NT) by substituting the entries in column 4 of such notification which specify the purpose of appointment of central excise officers as "Audit, issue of Show Cause Notice and Adjudication" whereas earlier it was "Audit and issue of Show Cause Notice".	http://www.cbec.gov.in/htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-nt2016/cent47-2016.pdf
(3)	Circular No.1050 / 38 / 2016 - CX	08.11.2016	Combined Annual Return Form for Central Excise and Service Tax	In view of GST implementation, the CBEC has decided that Combined Annual Return of Service Tax and Excise Duty for 2015-16 which was required to be filed by 30 Nov. 2016 is now not required to be filed.	http://www.cbec.gov.in/htdocs-cbec/excise/cx-circulars/cx-circulars-2016/circ1050-2016cx-signed.pdf

CBEC- SERVICE TAX					
Sr. No.	**Heading No.**	**Date**	**Subject**	**Description**	**Download the Link**
(1)	Notification No. 49/2016-Service Tax	09.11.2016	Seeks to amend notification No. 30/2012-ST, dated the 20th June, 2016 so as to put compliance liability of service tax payment and procedure on to the service provider located in the non-taxable territory with respect to online information and database access or retrieval services provided in the taxable territory to 'non-assesse online recipient'.	This notification is applicable w.e.f. 1st December, 2016, which seeks to amend notification No. 30/2012- ST dated 20th June, 2016. This amendment has been made to put compliance liability of service tax payment and procedure on to the service provider located in the non-taxable territory with respect to online information and database access or retrieval services provided in the taxable territory to 'non-assessee online recipient'.	http://www.cbec.gov.in/resources/htdocs-servicetax/st-notifications/st-notifications-2016/st49-2016.pdf

(2)	Notification No. 48/2016-Service Tax	09.11.2016	Seeks to amend Service Tax Rules, 1994 so as to prescribe that the person located in non-taxable territory providing online information and database access or retrieval services to 'non-assesse online recipient', as defined therein, is liable to pay service tax and the procedure for payment of service tax.	Seeks to amend Service Tax Rules, 1994. CBEC has amended the Service Tax Rules so as to prescribe that the person located in non-taxable territory providing online information and database access or retrieval services to 'non-assessee online recipient' is liable to pay Service Tax and procedures for payment of Service Tax.	http://www.cbec.gov.in/resources/htdocs-servicetax/st-notifications/st-notifications-2016/st48-2016.pdf
(3)	Notification No. 47/2016-Service Tax	09.11.2016	Seeks to amend notification No. 25/2012-ST dated 20th June, 2016 so as to withdraw exemption from service tax for services provided by a person in non-taxable territory to Government, a local authority, a governmental authority or an individual in relation to any purpose other than commerce, industry or any other business or profession, located in taxable territory.	Seeks to amend Notification No. 25/2012-ST dated 20th June, 2016. CBEC withdraws Service Tax Exemption for services provided by a person in non-taxable territory to Government/ Local Authority or an individual for purpose other than commerce, industry or any other business or profession, located in taxable territory.	http://www.cbec.gov.in/resources/htdocs-servicetax/st-notifications/st-notifications-2016/st47-2016.pdf
(4)	Notification No. 46/2016-Service Tax	09.11.2016	Seeks to amend Place of Provision of Services Rules, 2012 so as to amend the place of provision of 'online information and database access or retrieval services' with effect from 01.12.1016.	Rules of Place of Provision of Services (Amendment) Rules 2016, applicable w.e.f. 1st December, 2016. This amendment has been made by the CBEC to amend the place of provision of 'online information and database access or retrieval services'.	http://www.cbec.gov.in/resources/htdocs-servicetax/st-notifications/st-notifications-2016/st46-2016.pdf

MUMBAI CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No.152/2016-17	07.11.2016	Communication of Public Notice issued from Mumbai Customs Zone-I through E- mail	Introduction of facility by the EDI Section for communicating all the Public Notices issued from Mumbai Customs Zone-I through e-mail. Communication through e-mail will be sent only to parties registered for the facility for Public Notices uploaded on Mumbai Customs Zone-I website.	http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id = 2268 & mode = download

(2)	Public Notice No. 139/2016-17	19.10.2016	Procedure regarding Special Warehouses/ Duty Free Shops	Accordingly, a system of accounting of receipt, storage, operations and removal of goods with regard to Duty Free Shops/ Special Warehouses is prescribed in the Public Notice.	http://www.mumbai-customszone1.gov.in /site/PublicNotice.aspx?id=2263& mode =download
(3)	Public Notice No. 138/2016-17	19.10.2016	Instructions regarding implementation of Rules of Origin under Free/ Preferential Trade Agreements and the verification of referential Certificates of Origin	Rules of Origin are notified under each of the Agreements which require the importer to make a claim for preferential tariff at the time of importation, and submit a Certificate of Origin (COO) in the prescribed form. The grounds for verification of authenticity of the Certificates of Origin and Verification of Specimen Seals and Signatures are given in the Public Notice.	http://www.mumbai-customszone1.gov.in/site/PublicNotice.aspx?id=2262 & mode = download
(4)	Public Notice No. 137/2016-17	19.10.2016	Compliance of “Handling of Cargo in Customs Areas Regulations, 2009” by Port Terminals, CFSs, Shipping Lines and Transporters to reduce the dwell time for clearance of imported / export goods.	In order to improve the functional efficiency in Customs areas like ports /Inland Container Depots (ICDs) / Container Freight Stations (CFS) / airports / Land Customs Stations (LCS), “Handling of Cargo in Customs Areas Regulations, 2009” had been framed to set out the terms and conditions to provide all requisite facilities where imported or export goods are received, stored, delivered, dispatched or otherwise handled in a Customs area.	http://www.mumbai-customszone1.gov.in/site/PublicNotice.aspx?id = 2261 & mode = download
(5)	Public Notice No. 136/2016-17	19.10.2016	Removal of mandatory warehousing requirements for EOUs, STPIs, EHTPs etc. - Amendment to Notification 52/2003-Cus dated 31.03.2003.	Attention is invited to the Board’s Circular No. 35/2016-Customs dated 29.07.2016 and Notification no. 44/2016- Customs dated 29.07.2016 regarding the amendments made in line with the Government’s Make in India initiative as a measure of improving the ‘ease of doing business’, wherein the compliance requirements with respect to warehousing provisions by these units are abolished and as an effect, these units would stand de-licensed as warehouses under the Customs Act with effect from 13th August 2016.	http://www.mumbai-customszone1.gov.in/site/PublicNotice.aspx?id = 2260 & mode = download
(6)	Public Notice No. 135/2016-17	19.10.2016	Single Window Project- Implementation of Risk based criteria for clearance of consignments related to Participating Government Agencies (PGAs)	RMS has been modified to provide Risk based selection for NOC. Also, to accommodate further requirements of PQIS (Plant Quarantine Information System), two changes have been made in Integrated Declaration given in the Public notice.	http://www.mumbai-customszone1.gov.in/site/PublicNotice.aspx?id = 2259 & mode = download
(7)	Public Notice No. 134/2016-17	19.10.2016	Regarding non levy of Anti Dumping Duty while filing online Bills of Entry	Under this provision, the importers should correctly declare value, classification, description of goods, exemption notifications etc. and self assess the duty thereon, if any.	http://www.mumbai-customszone1.gov.in /site/PublicNotice.aspx?id = 2258 & mode = download

(8)	Public Notice No. 132/2016-17	20.10.2016	Rebate of state levies on export garments -implementation by CBEC	Attention is invited to Board's Circular No. 43/ 2016- Customs dated 31st August, 2016 wherein the Government of India has decided to adopt a mechanism where the rebate of State levies on garment exports was provided based on a budgetary allocation of the Ministry of Textiles under a scheme in which the Department of Revenue/Central Board of Excise and Customs (CBEC) handles disbursement along with the existing Duty Drawback.	http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id = 2267 & mode = download
(9)	Public Notice No. 131/2016-17	19.10.2016	Implementation of the hazardous and other wastes (Management of Trans-boundary Movement) Rule, 2016	Attention is invited to Notification No. GSR 395(E) dated 04.04.2016 issued by the Ministry of Environment, Forests and Climate Change (MoEF & CC) on the given subject.	http://mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id = 2266 & mode = download
(10)	Public Notice No. 128/2016-17	18.10.2016	Incorrect simultaneous issuance of dual benefit of Zero duty EPCG and SHIS to exporters under the FTP 2009-14-option providing flexibility to return either benefit	The Directorate of Revenue Intelligence (DRI) had detected the instances of simultaneous issuance of zero duty EPCG and SHIS and highlighted the same to the DGFT. Subsequently, the Comptroller and Auditor General (CAG) of India also mapped the concurrent availing of SHIS and zero duty EPCG not being in line with FTP 2009-14 provisions. The issue revolves around wordings in para 5.1A HBP (27.08.2009), para 5.1(f) FTP (5.6.2012), para 5.1(b) FTP (18.4.2013), para 3.10.3 and 9.3 (HBP).	http://www.mumbaicustomszone1.gov.in/site/PublicNotice.aspx?id = 2257 & mode = download
(11)	Facility Notice No. 04/2016	31.10.2016	Implementation of e- payment of Refund through RTGS/ NEFT to Claimant's Beneficiary's Account	To reduce the delay to the claimant on refund account, a facility for payment of refund amount by the claimants directly to benefiary's/ Claimant's Bank Accounts by using the NEFT/RTGS is being introduced at ICD Mulund (Import).	http://mumbaicustomszone1.gov.in/site/FacilityNotice.aspx?id = 40 & mode = download

SAHAR AIR CARGO CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 45/2016-17	10.11.2016	Classification of combination or sets of salwar- kameez, dupatta set, Choli Ghagra etc, for the purpose of claiming drawback.	The description of goods defined under Tariff item 620401 is Suits. Chapter Note 3 appended to Chapter 62 of CTA 75 defines 'suit' as a set of garments composed of two or three pieces, made from identical fabric. In case of suits and ensembles, the shell fabric of the upper garment and the lower garment should be identical in term of (a) construction (b) colour and shade of the fabric (c) composition. The suit covers upper and lower part of the body. The upper part is called suit coat or suit jacket and lower part is trouser, short or skirt. Thus, the Salwar Kameez suit or Ghagra Choli or Lehenga-Choli set should not be classified as a suit. Kameez should be classified as dress under sub- residual heading 620403 and Salwar should be classified as trouser under subheading 620403.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2016-17/PN-45.2016.pdf

NOTICE

(2)	Public Notice No. 42/2016-17	03.11.2016	Implementation of Rebate of State Levies (ROSL) Scheme	Attention is invited to the scheme for implementation of ROSL notified vide Notification Nos. 12020/03/2016-IT dated 12.8.2016 and 31.8.2016 by the Ministry of Textiles.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2016-17/PN-42.2016.pdf
(3)	Public Notice No. 41/2016-17	October, 2016	Incorrect simultaneous issuance of dual benefit of Zero duty Export Promotion Capital Goods Scheme (EPCG) and Status Holder Incentive Scheme (SHIS) to exporters under the FTP 2009-14 – option providing flexibility to return either benefit	Instances of simultaneous issuance of zero duty EPCG and SHIS were detected by Directorate of Revenue Intelligence (DRI) and highlighted to the DGFT. Subsequently, the Comptroller and Auditor General (CAG) of India also mapped the concurrent availing of SHIS and zero duty EPCG not being in line with FTP 2009-14 provisions.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2016-17/PN-41-2016.pdf
(4)	Public Notice No. 39/ 2016-17	18.10.2016	Discontinuation of practice of making manual debits on physical copy of Advance Authorizations registered at EDI Customs port	As a measure of enhancing the ease of doing business for exporters, CBEC has decided that the practice of evidencing debits manually on physical copy of Advance Authorization shall be discontinued with respect to future authorizations electronically registered at Customs EDI locations. Henceforth, the officer examining the imported goods and/ or giving Out-of-Charge order shall also re-check that the proper debit of the authorization in the EDI system has been made.	http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2016-17/public_notice_39_2016_17.pdf
(5)	Facility Notice No. 14/2016-17	20.10.2016	Introduction of new facility for payment of drawback and other refunds by Drawback (M) section directly to Exporter's Bank Accounts instead by way of issuing of cheques	Intimation about the new facility for payment of drawback and other refunds by Drawback (M) section directly to Exporter's Bank Accounts by way of National Electronic Funds Transfer (NEFT)/ Real Time Gross Settlement (RTGS) in place of cheque payment. This new facility will help to avoid delay in the payment of drawback amounts.	http://accmumbai.gov.in/aircargo/miscellaneous/facility_notices/2016-17/FN%2014-2016.pdf

JNCH CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 145/2016	04.11.2016	Procedure for clearance of Unaccompanied Baggage in the Indian Customs. EDI System (ICES 1.5 System) at the Unaccompanied Baggage Centre (Speedy CFS), JNCH	In order to facilitate the clearance at Unaccompanied Baggage Centre (Speedy CFS), it has been decided to extend the Electronic Data Interchange (EDI), ICES 1.5 System to the clearance operation of Unaccompanied Baggage, JNCH. Accordingly, the Baggage Declaration Form (BDF) shall have to be filled in the EDI System.	http://www.jawahar-customs.gov.in/pdf/PN-2016/PN_NO_145.pdf
(2)	Public Notice No. 144/2016	31.10.2016	Interest on delayed refunds of deposits	It has been clarified that no interest is payable in respect of refund of deposits like Security deposit, deposits on project import, etc.	http://www.jawahar-customs.gov.in/pdf/PN-2016/PN_NO_144.pdf

NOTICE

(3)	Public Notice No. 143/2016	26.10.2016	Implementation of Rebate of State Levies (ROSL) Scheme	Attention is invited to the scheme for implementation of Rebate of State Levies on textile garments (ROSL) notified vide Notification Nos. 12020/03/2016-IT dated 12.8.2016 and 31.8.2016 by the Ministry of Textiles. The same notification also notifies the rates of rebate in Schedule I and Schedule II. Additionally, CBEC has issued Board Circular 043/2016-Cus dt.31.08.2016 which provides the guideline framework for implementation of this scheme.	http://www.jawahar-customs.gov.in/pdf/PN-2016/PN_NO_143.pdf
(4)	Public Notice No. 140/2016	25.10.2016	Execution of Bond and Bank Guarantee (BG) for the purpose of permitting clearance of imported goods under Advance License/EPCG Schemes; supersession to earlier Public Notice No. 84/2011 and Public Notice No. 81/2011	As per Customs Facility Notice No. 79/2009 dated 01/10/2009, Public Notice No. 81/2011 dated 16.05.2011 and Public Notice No. 84/2011 dated 01.06.2011, it has been decided to revise the procedure being followed in respect of registration of licenses and execution of Bond and Bank Guarantee for the purpose of permitting clearance of imported goods under Advance License/ Export Promotion Capital Goods (EPCG) Schemes.	http://www.jawahar-customs.gov.in/pdf/PN-2016/PN_NO_140.pdf
(5)	Public Notice No. 139/2016	21.10.2016	Refund of 4% Additional Duty of Customs (4% CVD) in pursuance of Notification No. 102/2007-Customs dated 14.09.2007 – Refund claims of ACP/AEO importers	Attention is invited to the Board's Circular No. 33/2016- Customs dated 22.07.2016 wherein Accredited Client Programme (ACP) and Authorized Economic Operator (AEO) have been combined into a Three- Tier AEO Programme. Special provisions have been made for Authorized Economic Operator (AEO) clients for refund of Customs duty. The facility of waiver of pre- audit in case of ACP claims is discontinued. The refund claims shall be sanctioned within 45 days for AEO- T2 importers and 30 days for AEO-T3 importers.	http://www.jawahar-customs.gov.in/pdf/PN-2016/PN_NO_139.pdf

RESERVE BANK OF INDIA

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	RBI/2016-17/103	27.10.2016	External Commercial Borrowings (ECB) by Startups	RBI has decided, in consultation with the Government of India to permit Authorised Dealer Category- I banks to allow Startups to raise ECB under the framework given in the Circular.	https://www.rbi.org.in/Scripts/Notification-User.aspx?Id = 10667 & Mode = 0
(2)	RBI/2016-17/92	20.10.2016	External Commercial Borrowings (ECB) – Extension and conversion	Intimation about the extension and conversion of External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers.	https://www.rbi.org.in/Scripts/Notification-User.aspx?Id = 10652 & Mode = 0

(3)	RBI/2016-17/91	20.10.2016	Rupee Drawing Arrangement (RDA) - Trade related remittance limit	Attention of Authorised Dealer Category – I (AD Category – I) banks is invited to A.P. (DIR Series) Circular No.102 dated May 21, 2015 permitting them to regularize payments exceeding the prescribed limit under RDA provided that they are satisfied with the bonafide of the transaction.	https://www.rbi.org.in/Scripts/Notification-User.aspx?Id = 10651 & Mode = 0

OFFICE OF THE TEXTILE COMMISSIONER

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Circular No. 6/2016-17	28.10.2016	UID applications under ATUFS	As per Guidelines on Amended Technology Upgradation Fund Scheme (ATUFS) the applicant units have to submit the following documents through online iTUFS software, in order to obtain UID: 1)Copy of PAN Card, 2) Copy of No Multiple Financing Undertaking, 3) Detailed Project Report mentioning Segment, Machines etc.	http://storage.unit-edwebnetwork.com/files/63/af0adbd61206b-52d0ceebfe8800f67f1.pdf
(2)	Office Memorandum No.1/(6)/Policy-OM/2015/TUPS.	27.10.2016	Submission of subsidy claims under MTUFS (List- I), Restructured TUFS (R-TUFS) and Revised Restructured TUFS (RR- TUFS) upto the quarter ending on 30th September, 2016 through i- TUFS software	The Office of the Textile Commissioner has informed all the Lending Agencies to submit the claims upto quarter ending on 30th September 2016 through online mode (i-TUFS Software) to them along with the required documents immediately.	http://storage.united-webnetwork.com/files/63/41afcd4983d8488ab6972d0d521457f8.pdf

❖❖

Forthcoming Indian Textile Exhibitions & International Fair to be organized by SRTEPC during February & March 2017

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC), as part of its export promotion programmes for 2016-17, is scheduled to organize exclusive Indian Textile Exhibitions/Mobilisation of participation of Indian companies in International Fair in UAE, Kenya, Ethiopia and Panama between February to March 2017 on the basis of the following details :

Sr. No.	Exhibitions/Fairs	Country/Market	Period/Month	Remarks
1)	INTEXPO UAE	Dubai, UAE	February 2017	Stand Alone SRTEPC/Exclusive Indian Exhibition of MMF Textiles under MAI Scheme
2)	INTEXPO KENYA	Nairobi, Kenya	March 2017	Stand Alone SRTEPC/Exclusive Indian Exhibition of MMF Textiles under MDA Scheme
3)	INTEXPO ETHIOPIA	Addis Ababa, Ethiopia	March 2017	Stand Alone SRTEPC/Exclusive Indian Exhibition of MMF Textiles under MDA Scheme
4)	EXPOCOMER, PANAMA	Panama City, Panama	22-25 March 2017	International Fair under MDA Scheme

While the Council is currently working out on the above export promotion projects in co-ordination with the concerned Indian Missions to finalise various requirements of the Exhibitions/Fair including specific dates, venues, Event Management Agencies, amount of participation charges etc., those interested in the above Events may like to immediately confirm their interest to the Council. For more information, please contact Ms. Kalavathi Rao/Mrs. Ramitha Shetty • Tel : 022-22048797/22048690 • Fax : 022-22810091/22048358 • Email : tp@srtepc.in ; srtepc@srtepc.in

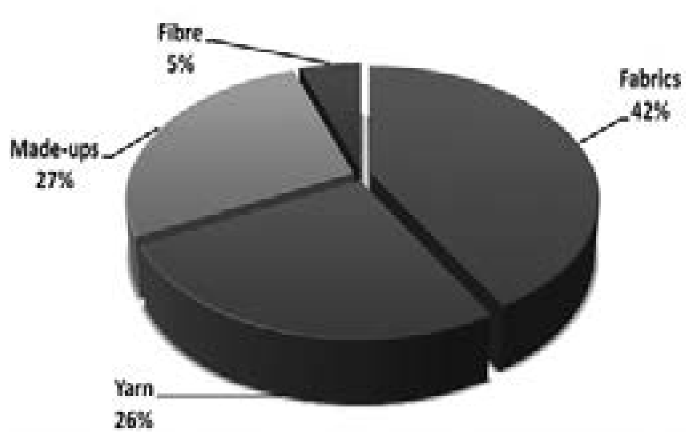
EXPORTS OF INDIAN MAN-MADE FIBRE TEXTILES DURING APRIL – OCTOBER 2016-17

Exports of Indian MMF textiles during April-October 2016-17 were US$ 2473.67 Million against US$ 2854.25 Million during the same period of the previous year witnessing a decline of around 13% (SOURCE: Port Data)

Value in US$ Mn

	April-October 2016-17	April-October 2016-17	Grw/decline (%)
Fabrics	1034.71	1223.76	-15.45
Yarn	633.73	748.89	-15.38
Made-ups	676.38	710.37	-4.79
Fibre	128.86	171.24	-24.75
Total	**2473.67**	**2854.25**	**-13.33**

PRODUCT SHARE



HIGHLIGHTS

- Overall exports in April-October2016-17 declined by 13.33% as compared to the same period of the previous year.
- Exports of Fabrics dominated with 42% share followed by Yarn 26%, Made-ups 27% and Fibre 5% in the Indian MMF textile exports.
- Share of the value added segments like fabrics and Made-ups have increased to 69% of total exports.
- However, all the four segments witnessed decline in export like fibre (-24.75%), fabrics (-15.45%), yarn (-15.38%), and made-ups (-4.79%).
- In the fabrics segment Polyester Filament Fabrics (US$ 285.39 Mn) remained the top exported product in India's MMF textile exports followed by Synthetic Filament Fabrics (US$ 251.61Mn) and Polyester Viscose Fabrics (US$ 184.30 Mn) during April-October 2016-17.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth US$ 276.94 Mn followed by Polyester Spun Yarn (US$ 65.74 Mn) and Polyester Cotton Yarn (US$ 64.35 Mn).
- In Made-ups, exports of Bulk Containers was the leading item with exports worth US$ 161.62 Mn followed by Muffler and Shawls/Scarves worth US$ 95.87 Mn and US$ 66.29 Mn respectively.
- Polyester Staple Fibre (US$ 56.60 Mn) was the leading item in the MMF category followed by Viscose Staple Fibre (US$ 54.63 Mn) and Acrylic Staple Fibre (US$ 15.63 Mn).
- Exports of Viscose Spun Fabrics and Polyester Spun fabrics which accounted for share of nearly 1% in the Indian MMF fabrics exports, have witnessed excellent growth of 25.54% and 16.89%.
- UAE was the leading market for Indian MMF textiles during April-October2016-17 with 13% share in total exports followed by USA 10% and Turkey 8%.
- Neighbouring country Pakistan has emerged as the 4th largest market for India's MMF textile export with a share of 8% during April-October2016-17.
- Leading markets with positive growth are

Germany (49.89%), China (41.75%), Korea Rep (26.62%) and Hong Kong (9.74%)

- Other major markets during April-October2016-17 were Sri Lanka, Saudi Arabia, Italy, and Belgium with share of 3% each in the Indian MMF Textiles exports.
- Senegal with a share of nearly 1% in the Indian MMF Made-ups export has grown by 363.47%.
- UAE and USA were the leading market for Indian MMF Fabrics and USA was also leading market for Indian MMF Made-up during the period..

PRODUCT-WISE EXPORT PERFORMANCE APRIL-OCTOBER 2016-17

Value in USD Mn

Products	April-Oct 2016-17	April-Oct 2015-16	Net Change	% Change
FABRICS (Woven+non-woven+knitted)				
Polyester Filament	285.39	337.33	-51.94	-15.40
Synthetic Filament	251.61	321.02	-69.41	-21.62
Polyester Viscose	184.30	222.97	-38.67	-17.34
Polyester Blended	107.70	123.73	-16.03	-12.96
Synthetic Non Specified	63.23	59.60	3.63	6.09
Polyester Wool	24.26	26.92	-2.66	-9.88
Synthetic Cotton	23.95	26.96	-3.01	-11.16
Polyester Cotton	22.71	21.77	0.94	4.32
Polyester Spun	18.41	15.75	2.66	16.89
Nylon Filament	9.63	11.72	-2.09	-17.83
Viscose Spun	8.65	6.89	1.76	25.54
Viscose Blended	6.29	7.57	-1.28	-16.91
Synthetic Blended	6.04	13.14	-7.10	-54.03
Viscose Filament	4.82	7.34	-2.52	-34.33
Artificial Filament	4.00	3.88	0.12	3.09
Other Fabrics	13.70	17.18	-3.48	-20.26
Fabrics Total	**1034.69**	**1223.77**	**-189.08**	**-15.45**

Products	April-Oct 2016-17	April-Oct 2015-16	Net Change	% Change
YARN				
Polyester Filament	276.94	388.40	-111.46	-28.70
Polyester Spun	65.74	53.40	12.34	23.11
Polyester Cotton	64.35	80.41	-16.06	-19.97
Polyester Viscose	63.77	66.19	-2.42	-3.66
Viscose Spun	60.24	41.76	18.48	44.25
Viscose Filament	29.06	31.51	-2.45	-7.78
Acrylic Spun	19.41	20.32	-0.91	-4.48
Synthetic Spun	12.92	17.28	-4.36	-25.23
Polyester Wool	12.83	13.65	-0.82	-6.01
Artificial Spun	6.05	5.10	0.95	18.63
Synthetic Non Specified	4.95	7.52	-2.57	-34.18
Nylon Filament	4.30	4.72	-0.42	-8.90
Acrylic Cotton	3.38	5.10	-1.72	-33.73
Viscose Cotton	2.23	1.63	0.60	36.81
Other Yarn	7.52	11.87	-4.35	-36.65
Yarn Total	**633.69**	**748.86**	**-115.17**	**-15.38**
MADE-UPS				
Bulk Containers	161.62	177.30	-15.68	-8.84
Muffler	95.87	119.39	-23.52	-19.70
Shawls/Scarves	66.29	71.91	-5.62	-7.82
Motifs	47.65	42.55	5.10	11.99
Fishing Net	22.77	25.42	-2.65	-10.42
Blanket	17.74	22.12	-4.38	-19.80
Bed Linen	13.08	13.34	-0.26	-1.95
Bedsheet	10.48	11.56	-1.08	-9.34
Rope	10.44	10.50	-0.06	-0.57
Dish-cloths/Dusters	6.79	6.19	0.60	9.69

Products	April-Oct 2016-17	April-Oct 2015-16	Net Change	% Change
Dress Material	6.44	8.78	-2.34	-26.65
Braids	6.14	7.00	-0.86	-12.29
Sacks and Bags	5.79	11.35	-5.56	-48.99
Life Jacket	5.57	4.13	1.44	34.87
Tulles	5.32	4.35	0.97	22.30
Curtains	5.07	5.53	-0.46	-8.32
Furnishing Articles	4.49	3.85	0.64	16.62
Lace	3.12	2.47	0.65	26.32
Toilet Linen	1.55	1.57	-0.02	-1.27
Other Made-ups	180.18	161.03	19.15	11.89
Made-ups Total	**676.40**	**710.34**	**-33.94**	**-4.78**
FIBRE				
Polyester Staple	56.60	68.45	-11.85	-17.31
Viscose Staple	54.63	77.42	-22.79	-29.44
Acrylic Staple	15.63	21.38	-5.75	-26.89
Acrylic Filament	1.98	4.00	-2.02	-50.50
Fibre Total	**128.84**	**171.25**	**-42.41**	**-24.76**

* Flexible Intermediate Bulk Container (HS Code 63053200)/big bag/bulk bag or Super Sack is a standardized container in large dimensions for storing and transporting dry, flowable products, for example sand, fertilizers , and granules of plastics, most often made of thick woven polyethylene or polypropylene, either coated or uncoated.

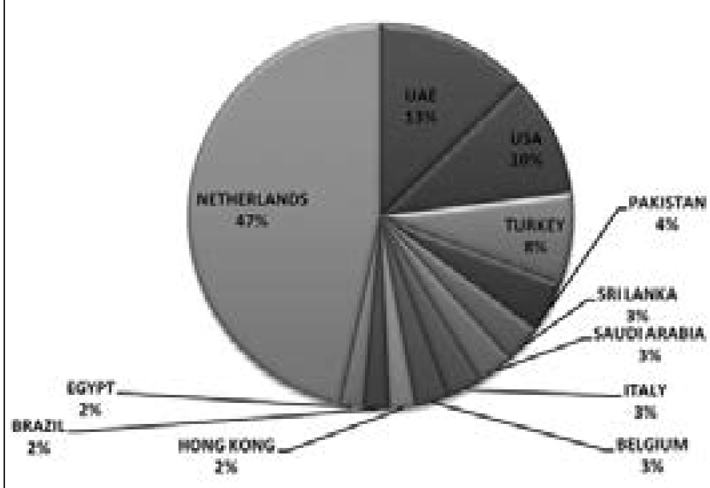
** Other Made-ups include Tents, Sails, Rags, Embroidery (without visible ground) & Accessories.

LEADING MARKETS

Value in USD Mn

Sr. No.	Country	April-Oct 2016-17	April-Oct 2015-16	Net Change	%Grw/ Decline
1	UAE	316.47	403.64	-87.17	-21.60
2	USA	254.01	316.46	-62.45	-19.73
3	TURKEY	187.26	283.33	-96.07	-33.91
4	PAKISTAN	107.83	135.03	-27.20	-20.14
5	SRI LANKA	80.32	85.69	-5.37	-6.27
6	SAUDI ARABIA	75.75	81.74	-5.99	-7.33
7	ITALY	73.16	80.71	-7.55	-9.35
8	BELGIUM	70.29	73.38	-3.09	-4.21
9	HONG KONG	53.17	48.45	4.72	9.74
10	BRAZIL	52.89	50.95	1.94	3.81
11	EGYPT	48.92	56.31	-7.39	-13.12
12	NETHERLANDS	48.59	50.34	-1.75	-3.48
13	GERMANY	47.35	31.59	15.76	49.89
14	KOREA, DEM	41.88	37.74	4.14	10.97
15	SPAIN	41.51	49.65	-8.14	-16.39
16	CANADA	29.34	27	2.34	8.67
17	VIETNAM, DEM	28.16	34.65	-6.49	-18.73
18	KOREA,REP	27.68	21.86	5.82	26.62
19	FRANCE	27.36	30.6	-3.24	-10.59
20	CHINA	26.38	18.61	7.77	41.75

MMF EXPORT COUNTRY SHARE



MAJOR MARKETS FOR MMF FABRICS

Value in USD Mn

Country	April-Oct 2016-17	April-Oct 2015-16	Net Change	%Grw/ Decline
UAE	210.90	282.50	-71.60	-25.35
USA	110.12	204.99	-94.87	-46.28
PAKISTAN	76.37	72.24	4.13	5.72
SRI LANKA	62.34	68.90	-6.56	-9.52
SAUDI ARABIA	39.63	40.47	-0.84	-2.08
HONG KONG	33.51	41.34	-7.83	-18.94
VIETNAM, DEM	24.00	28.84	-4.84	-16.78
EGYPT	21.51	27.84	-6.33	-22.74
SPAIN	20.13	21.83	-1.70	-7.79
KOREA, DEM	19.25	17.13	2.12	12.38
ITALY	17.65	18.96	-1.31	-6.91
IRAQ	16.33	9.66	6.67	69.05

MAJOR MARKETS FOR MMF YARN

Value in USD Mn

Country	April-Oct 2016-17	April-Oct 2015-16	Net Change	%Grw/ Decline
TURKEY	100.39	119.6	-19.21	-16.06
USA	47.75	90.03	-42.28	-46.96
BRAZIL	45.78	44.66	1.12	2.51
PAKISTAN	32.77	33.4	-0.63	-1.89
BELGIUM	32.69	32.88	-0.19	-0.58
EGYPT	24.45	23.73	0.72	3.03
COSTA RICA	20.34	14.32	6.02	42.04

Country	April-Oct 2016-17	April-Oct 2015-16	Net Change	%Grw/ Decline
KOREA,REP	16.08	18.14	-2.06	-11.36
MOLDOVA,REP	13.78	12.57	1.21	9.63
KOREA, DEM	13.58	15.33	-1.75	-11.42
NETHERLANDS	12.09	16.65	-4.56	-27.39
SRI LANKA	11.59	10.55	1.04	9.86

MAJOR MARKETS FOR MMF MADE-UPS

Value in USD Mn

Country	April-Oct 2016-17	April-Oct 2015-16	Net Change	%Grw/ Decline
USA	118.43	136.91	-18.48	-13.50
SAUDI ARABIA	95.59	108.18	-12.59	-11.64
ITALY	40.30	41.60	-1.30	-3.13
UAE	36.04	25.86	10.18	39.37
GERMANY	31.57	17.64	13.93	78.97
NETHERLANDS	25.08	22.31	2.77	12.42
SPAIN	19.23	24.86	-5.63	-22.65
CROATIA	18.39	21.89	-3.50	-15.99
CANADA	16.64	11.09	5.55	50.05
FRANCE	15.97	19.50	-3.53	-18.10
BELGIUM	14.56	16.22	-1.66	-10.23
HONG KONG	12.50	6.25	6.25	100.00
AUSTRALIA	11.32	14.26	-2.94	-20.62
SENEGAL	10.15	2.19	7.96	363.47

REVISED DUTY DRAWBACK RATES FOR 2016-17

(Continued from Page 2)

			New DBK Rates w.e.f. 15th November, 2016				DBK Rates Prior to 15th November, 2016			
			A		B		C		D	
			Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed		Drawback when Cenvat facility has not been availed		Drawback when Cenvat facility has been availed	
Tariff Item	**Description of goods**	**Unit**	**Drawback Rate (%)**	**Drawback cap per unit in Rs.**	**Drawback Rate (%)**	**Drawback cap per unit in Rs.**	**Drawback Rate (%)**	**Drawback cap per unit in Rs.**	**Drawback Rate (%)**	**Drawback cap per unit in Rs.**
1	2	3	4	5	6	7	8	9	10	11
550901	P/V Yarn (Grey) & Polyester Spun Yarn (Grey)	Kg	10.3	25	1.5	3.6	10	26	1.9	4.9
550902	P/V Yarn (Dyed) & Polyester Spun Yarn (Dyed)	Kg	11.5	40	2	7	10.9	30	1.9	5.2
551001	Viscose Spun Yarn (Grey)	Kg	10.6	40	1.5	5.7	10	34	1.9	6.5
551002	Viscose Spun Yarn (Dyed)	Kg	11.5	53	1.8	8.3	10.5	41	1.9	7.4
551101	Yarn of Manmade Staple Fibre (Grey)	Kg	10.3	25	1.5	3.6	10	26	1.9	4.9
551102	Yarn of Manmade Staple Fibre (Dyed)	Kg	11.5	40	2	7	10.9	30	1.9	5.2
FABRICS										
540701	Fabrics made out of 85% Polyester Filament Yarn (Grey)	Kg	7.5	32	1.5	6.4	7.2	36	1.9	9.5
540702	Fabrics made out of 85% Polyester Filament Yarn (Dyed)	Kg	8.2	50	1.8	11	7.9	45	1.9	10.8
551201	Fabrics of Synthetic Staple Fibre containing 85% or more of Synthetic Staple Fibre (Grey)	Kg	8	47	1.5	8.8	7.9	47	1.9	11.3
551202	Fabrics of Synthetic Staple Fibre containing 85% or more of Synthetic Staple Fibre (Dyed)	Kg	8.5	55	1.8	11.6	8.4	56	1.9	12.7
551501	Other woven Fabrics of Synthetic Staple Fibres containing more than 85% of Synthetic Staple Fibre (Grey)	Kg	8	47	1.5	8.8	7.9	47	1.9	11.3
551502	Other woven Fabrics of Synthetic Staple Fibres containing more than 85% of Synthetic Staple Fibre (Dyed)	Kg	8.5	55	1.8	11.6	8.4	56	1.9	12.7
560302	Non-Woven Fabrics of Man-Staple Fibre	Kg	8.4	32	1.5	5.7	8.1	32	1.9	7.5
581002	Embroidery fabrics of MMF where Man-Made staple fibre and /or Man-made Filament yarn is 85% or more by weight	Kg	8.5	100	1.8	21.2	8.4	100	1.9	22.6
581003	Embroidery fabrics of MMF where Man-Made staple fibre and /or Man-made Filament yarn is less than 85% but more than 50% by weight.	Kg	8.5	85	1.8	18	7.8	85	1.9	20.7
MADE-UPS										
62140103	Shawls, scarves, mufflers, stoles, mantillas and veils made of Man Made Fibre	piece	9.8	40	2.5	10.2	9.8	38	2.4	9.3
621703	Other made up clothing accessories; parts of garments or of clothing accessories of Man Made Fibre	Kg	9.8	180	2.5	45.9	9.8	180	2.4	44.1
630403	Other furnishing articles of Man Made Fibre	Kg	9.5	123	2.4	31.1	9.3	105	2.2	24.8
63070203	Made-ups made out of Man-Staple Fibre	Kg	9.5	123	2.4	31.1	9.3	105	2.2	24.8

SRTEPC'S "Interactive Meeting" With Hon'ble Minister Of Textiles

(Continued from Page 1)

respective groups were given time to discuss their issues amongst themselves and list out the specific issues concerning their segment with the HMOT for resolving the same. Each representative of the group put forth their related issues with the HMOT and she gave her assurance to take up matters for resolution and also with the concerned Ministries. Further, she also requested the participants to submit the necessary papers and case proposals which would be required to substantiate the issues to be taken up with the concerned authorities. The HMOT was given the assurance that the necessary papers and case proposals shall be delivered through the Council.

ISSUES AND DELEBERATIONS

Shri Vinod K. Ladiaji raised the point of skill development program in the textile industry. He stressed the need for employment generation along with modernization and technology up-gradation in the MMF textile industry. He also put up the point of creating textile parks in various states. Smt. Smriti Irani, Hon'ble Union Minister of Textiles requested for a list from the Council listing the skill development programmes carried out in Gujarat state.

The discussion started with the Policy Framework Group which stated the issues related to problems faced by small exporters while exporting to South East Asia and Africa, reimbursement of Drawback, stoppage of redemption benefits to looms imported under EPCG Scheme, closure of looms in Bhiwandi due to price fluctuations of raw materials. This group also put forth a suggestion to provide for higher allocation of funds for activities under MDA and MAI Scheme, to impose anti dumping duty on Chinese goods but not on raw materials, to organize at least one International Textile Exhibition in India every year, provision of equal GST rates across all verticals of textile value chain and at the lowest rates.

View of the members during Interaction Meeting with Hon'ble Minister of Textiles

The Weaving group represented the issues concerning Power costs, as no benefit has been provided for establishing alternate natural energy (solar/wind), requirement of Capital Investment subsidies to compete in the market, Lower cost housing facility to be provided to more than 15 million workers, Introduction of Mega Textile Parks and Processing Houses to take advantage of the availability of expertise, need to establish educational institutions that can churn out efficient managers.

The Made-up Section suggested that Made-ups should be a part of the garment and textile package announced by the Ministry, involvement of all stakeholders in the value chain to build final world class products, enhancement of the product basket to compete as an integrated textile chain, Made-ups should be a part of the MEIS, job work to be allowed in SEZ units.

Yarns & Fibres group represented the issues over fibre neutrality i.e. considering single duty structure, uniform power charges to avail the benefit of cross subsidy scheme, clearing of cases under TUFS, ATUFs issues, RCEP negotiations, MEIS to include all MMFT items, problem of under invoicing, provident fund benefit to be made available for Spinning sector.

COA group deliberated the issues on policy of high cost of capital and fibre neutrality providing necessary support to India in comparison to China in areas such as cost of Raw Material, Power and Fuel to increase exports of Indian textiles.

VOTE OF THANKS

The interactive meeting ended with a vote of thanks by Shri Sri Narain Aggarwal, Vice- Chairman, SRTEPC.

❖❖

Postal Regn. No. MCS/051/2015-17
Posted at Churchgate P.O. Mumbai - 400 020 on 26th of every month

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