

## “SOURCE INDIA” - A GRAND SUCCESS

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) organized an exclusive Reverse Buyers-Sellers Meet called “SOURCE INDIA” on 13 & 14 August 2016 at The Surat International Exhibition & Convention Center, Surat. 105 member-companies including 39 participants from the Small Scale Industries of the Council put up a display of their latest range of Man-made Fibre Textiles including fabrics, yarn, fibre, home-textiles, technical textiles, embroidered fabrics etc. at the 2-day Meet. The Meet evoked good response attracting over 1200 visitors.

Around 100 foreign Buyers comprised of top importers and opinion leaders, who make a real difference in the trade scenario were invited from the target 31 countries in Asia, Middle East & Gulf, Africa, South America, Europe and Australia. Delegations of leading Buyers were also present at “SOURCE INDIA” from the leading garment producing countries like Vietnam (12), Sri Lanka (14), Bangladesh (9), Turkey (7) and Afghanistan (6). Senior Representatives and Purchasing Teams of leading Buying Houses including JC Penny, Varner Group, Hellenic India ; Retail Brands of India and Apparel Manufacturing Companies also visited “SOURCE INDIA”.

### INAUGURATION:

Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles, who was the Chief Guest, inaugurated “SOURCE INDIA” followed by the National Anthem in the presence of Smt. Kavita Gupta, IAS, Textile Commissioner, Smt. Sunaina Tomar, IAS, Joint Secretary (Exports), Ministry of Textiles, Smt. Darshanaben Jardosh, Member of Parliament from Surat, Shri. Prabhu Vasava, Member of Parliament from Bardoli, Gujarat, Smt. Sangitaben Patil, MLA, Chairman, Vice Chairman, Immediate Past Chairmen and Convenor of the Event, Former Chairmen, Members of Committee of Administration, Dignitaries, Senior Officials, Representatives of the participating companies, Media and others.

Smt. Smriti Zubin Irani, Hon'ble Union Minister of Textiles in her speech, after explaining the significance of lighting the lamp of knowledge to dispel the darkness



Hon'ble Union Minister of Textiles Smt. Smriti Zubin Irani inaugurating “Source India”, Surat - 2016. Also seen in the picture (l to r) Shri Sanjeev Saran, Member of Steering Committee, Source India, Shri Anil Rajvanshi, Chairman, SRTEPC, Smt. Darshana Jardosh, Member of the India Parliament for Surat, Dr. V.K. Ladia, Convenor (Source India) and Shri Sri Narain Aggarwal, Vice Chairman, SRTEPC.

of ignorance, welcomed the august presence of around 100 International Buyers from 31 countries by stressing upon India's centuries old tradition of revering our guests like we revere our Gods, and Goddesses. Highlighting the need for such a show, she expressed her satisfaction that such a unique global event is organized in India showcasing the strength of India's MMF Textiles. Hon'ble Minister added that this Event shall give impetus to the “Make In India” campaign conceived by our Hon'ble Prime Minister. She was confident that the Show would give the necessary encouragement to the Indian MMF Textiles Industry to achieve its projected export target of USD 7 Billion during 2016-17.

### WELCOME ADDRESS :

The Chairman, Shri. Anil Rajvanshi in his inaugural speech welcomed the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani, Shri. Kavita Gupta, Textile Commissioner, Smt. Sunaina Tomar, Joint Secretary (Exports), Ministry of Textiles, who were present at the function. He welcomed the Overseas Buyers, who had come from different countries across the world, and assured them that “SOURCE INDIA” will be a rewarding and profitable experience. Shri. Rajvanshi also welcomed the Vice Chairman, Shri. Narain Aggarwal, and

Shri. Vinod K. Ladia, the Convenor, Former Chairmen and Members of the Committee of Administration. Welcoming the Indian participating companies, who had put up on display their latest range of Man-Made Fibre Textiles, the Chairman said that he was confident

to be a “Trend Setter” and become a regular feature in the promotional Calendar of the Indian Textiles Industry.

### INTRODUCTORY REMARKS

In his introductory remarks Shri. Vinod Kumar Ladia, the Convenor of the Event said that he was privileged to inform about SRTEPC’s pioneering efforts to promote exports by organizing the SOURCE INDIA, a Mega Show of Textiles, specially targeting Buyers from Asia, Middle East, Gulf, Africa and South America. He expressed his confidence that the show would provide the right platform to both Buyers and Exhibitors to establish commercially viable ties. He was confident that the Event would help the Buyers acquire first-hand knowledge about the vibrant and growing MMF Textiles Industry in India. He was also confident that India’s wide product range, professional excellence, and innovative technology would meet the high standards of foreign Buyers. Shri. Ladia was happy about the fact that the International Buyers were aware of the capabilities and strengths of Indian manufacturers as reliable, capable, and competitive suppliers of high quality Man-Made Fibre Textiles, and informed that it would be the endeavor of the Council to carry this realization forward, and take Indian exports to even greater heights. Assuring that the Show would be a rewarding experience for both Buyers and Exhibitors, Shri. Ladia welcomed all the participants and wished them success.

Shri. Narain Aggarwal, Vice Chairman of the Council thanked the illustrious guests on the Dias, and declared the ‘SOURCE INDIA’ trade show open for all participants.



Hon'ble Union Minister of Textiles Smt. Smriti Zubin Irani addressing the participants at “Source India”, Surat- 2016.

that the companies would make use of this unique opportunity to present their product and establish long term business contacts with visiting Buyers. He expressed his satisfaction that SRTEPC has organized an exclusive RBSM, specially targeting Buyers from Asia, Middle East, Africa, and South America, which has presented a unique opportunity for the Exhibitors, especially the ones from the SME sector. Shri. Rajvanshi also expressed confident that around 100 special invited buyers would find their visit fruitful and rewarding to establish long term relationships with their Indian counterparts. He was specially heartened by the fact that Indian preference for MMF textiles is increasing in tune with the global trend, and that he foresees a bright future for Indian MMF Textiles Industry. He also mentioned that the Ministries of Textiles and Commerce & Industry, Govt. of India, had been actively involved with the Mega Event of textiles, and had financially supported “SOURCE INDIA”, and he accordingly, thanked them for their assistance and encouragement. “It has been the endeavor of the Council to organize exclusive and unique promotional programme in the past, and SOURCE INDIA is another step towards carrying out such pioneering work. The Council hopes to continue with this legacy, and to organize such shows in future too, which we are confident, would help us in taking our exports of Man-made fibre textiles to newer heights”, he said. He hoped that this Event would prove



View of the Audience at the Inauguration of “Source India” Surat, 2016.

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Dear Member,

I am glad to inform you that the Council has successfully organized Source India 2016 - Global Buyers-Sellers Meet in Surat during 13<sup>th</sup>-14<sup>th</sup> August, 2016. I sincerely express my gratitude to all stakeholders who have extended wholehearted support for the Event. The mega exhibition was inaugurated by the Hon'ble Union Minister of Textiles Smt. Smriti Zubin Irani on 13<sup>th</sup> August, 2016 in the presence of many dignitaries from the Government, reputed International Buyers from 31 Countries, and more than 100 Indian Exhibitors, Indian Buying Houses & Sourcing Agents, and Media.



I am sure that the event provided an enriching experience for the participants. As we have included Seminars of topical relevance, Fashion shows and Theme Pavilion forecasting fashion trends for helping the buyers and sellers to engage in B2B meetings for business negotiations. We hope that the outcome of the event will help to further strengthen the MMF textiles in India and particularly of Surat in enhancing both production and exports in the near future. We are happy to inform you that the Event has given the much needed attention to this potential segment of the Indian Textile industry of the concerned at the highest level and will help in providing the conducive policy incentives for achieving its potential growth and export targets.

I wish to inform you that the Council will be making presentation to the high level Drawback Committee on the All Industry Duty Drawback rates for Synthetic textiles for the year 2016-17 and stress the need for higher Drawback rates for all synthetic textile items. The increased drawback rates for the MMF textiles is justified in view of the high excise duty on MMF fibres and filament yarns and also due to high transaction costs because of various other State level duties and levies. I am hopeful that our proposals will be considered favorably by the Committee, which will encourage exports of MMF textiles.

Indian exports though shown a marginal rise in June, it declined by 6.8% in July 2016. This is primarily due to the contraction in global trade mainly due to the lull sentiments in global growth which was further accentuated by the Brexit impact. The exports of MMF textiles in last four months of the year 2016-17, have remained disappointing and there is no sign of resurgence.



During the period MMF exports amounted to US\$ 1393.08 million as against US\$ 1602.00 million in the corresponding period of the previous year showing a decline of 13.04%.

It is disappointing to note that all the segments of MMF textiles have witnessed a negative growth during the said period which has not in any way improved compared to the quarter ended June. Exports of Fabric continued dominating with 41% share followed by Yarn 27%, Made-ups 27% and Fibre 5%. As per the Index of Industrial Production (IIP) data, Textiles has shown 2.1 per cent growth during June 2016, as compared to the same month in the previous year and 0.6 per cent during April-June 2016-17 period as compared to the same period in the previous year, which is further a matter of concern.

You are aware that the 62<sup>nd</sup> Annual General Meeting of the Council will be held on 16<sup>th</sup> September, 2016 at Mumbai. We have received nominations from the members for filling up the vacant seats and the same has been scrutinized by the Election Committee. I am happy to inform you that as per the tradition of the Council, there is no election to be held this year also, as the number of nominations are the same as the number of vacant seats. However, e-voting will be held for passing the Special Resolution with regard to the further amendments in the concerned Article of Association of the Council and the information for the same will be communicated to the eligible members for exercising the e-voting.

The Council has been sending you reminders and requesting to renew your membership of the Council. You may kindly renew your membership with SRTEPC so that we can continue our service to your esteemed organization.

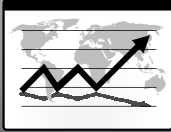
With warm regards,

Yours sincerely,

ANIL RAJVANSHI

CHAIRMAN

The Synthetic & Rayon Textiles Export Promotion Council



**TUNISIA**

**Textile industry threatened by uncontrolled imports and smuggling**

The Tunisian textile industry's local production that currently accounts for only 20 percent of the goods available for purchase on the local market is believed to be threatened by uncontrolled imports and smuggling.

It is also believed that more than 300 companies operating in textile, clothing, leather and footwear were closed during the last five years and about 40,000 employees lost their jobs due to anarchic importation without respecting the quota principle.

The proliferation of smuggling and parallel trade today has threatened the survival of several companies in the sector, including those producing mainly for the local market.

Tunisia's textile industry continues to survive thanks to exports, which translates exports worth 1.2-1.6 billion euros, or four per cent of Tunisia's total exports.

Tunisian textile industry that has approximately 1,000 fully exporting companies of which 50 percent of companies operating in the sector show over three percent annual growth.

*Source : Yarnsandfibers*

**VIETNAM**

**Textile export revenue at only US\$ 12.76 billion in the first six months**

Vietnam textile and apparel sector posted export revenue of only US\$ 12.76 billion in the first six

months, growing 4.72% year-on-year representing just 41% of the full-year target. The growth was mainly driven by foreign direct investment (FDI) firms as the domestic companies struggled to find new orders in the period.

According to information, finding new orders would continue to be tough and that some small and medium enterprises could be forced out of business. If the situation does not improve, the industry would find it hard to obtain outbound sales of US\$29 billion this year.

First, Vietnam's foreign exchange policy has kept the Vietnamese dong currency stable compared with the U.S. dollar while the currencies of major markets such as the EU, Japan and China have fallen by 8-18% against the greenback. At the same time, ASEAN countries, India, and Bangladesh have seen their currencies down by 10-20%.

The annual region-based minimum wage raise has also sent production costs of local textile and garment firms up and undermined the competitiveness of Vietnamese garments.

Besides, lending rates of 8-10%, two to three times higher than in other countries that are Vietnam's apparel export rivals, have placed another financial burden on local companies. As a result, prices of Vietnamese textiles and garments are 20-30% higher than in other countries.

Moreover presently, global economic woes are presenting an extra headwind to the industry. Particularly, many UK textile and garment enterprises operating in

Vietnam have plans to shut down following the Brexit vote to leave the European Union last month.

There are also signs of buyers shifting their orders from Vietnam to other countries to benefit from lower costs. Mainly because Cambodia and Bangladesh enjoy tariff incentives offered by the U.S and Europe while wages in Myanmar, Bangladesh, and Sri Lanka are lower than in Vietnam. Vietnamese enterprises are not as competitive as exporters from other parts of Asia.

Recently, China has also lowered social insurance premiums from 20% to 18% in the context that many of its textile and garment companies have been shuttered.

*Source : Yarnsandfibers*

**PAKISTAN**

**Exports of textile down by 7.42% during 2015-16**

Pakistan textile sector exports registered 7.42 percent decline during the Fiscal Year 2015-16 in which raw cotton and cotton yarn remained the major contributor of decline in the textile exports as their exports witnessed decrease of 47.89 percent and 31.77 percent respectively.

While, textile exports during the period July June (2015-16) recorded US\$ 12.455 billion compared to US\$ 13.453 billion in same period of the preceding year.

Similarly yarn and other than cotton yarn export decreased by 23.48 percent from US\$ 42.828 million to US\$ 32.774 million while cotton cloth export decreased by 9.71 percent as it went down from



US\$ 2.452 billion in July June (2014 15) to US\$ 2.214 billion in same period of the year 2015-16.

However, export of readymade garments showed a positive sign as it rose to US\$ 2.196 billion in July June (FY 16) from US\$ 2.095 billion in same period of the year 2014 15 thus showing an increase of 4.83 percent. Likewise knitwear export decreased from US\$ 2.406 billion in July June (2014 15) to US\$ 2.369 billion in the year 2015-16 thus showing a decrease of 1.54 percent.

Towels exports also witnessed nominal decrease of 0.41percent as it went down from 797.155 million in previous fiscal year to US\$ 793.898 million in FY 16. The export of bed wear plunged by 4.14 percent from US\$ 2.103 billion in 2014 15 to US\$ 2.016 billion in the year 2015-16.

Export of art silk and synthetic textile decreased by 12.89 percent from US\$ 330.584 million to US\$ 287.973 million during July June (2015-16).

Exports of tents canvas and tarpaulin also witnessed drop of 28.06 percent which went down to US\$ 91.055 million during the period under review from US\$ 126.575 million in the preceding year.

Source : Yarnsandfibers

**SRI LANKA**

**India, Sri Lanka Look to boost economic ties**

India and Sri Lanka, after years of delay have finally launched negotiations this week on Economic and Technical Cooperation Agreement (ETCA) formerly known as CEPA or Comprehensive Economic Partnership Agreement

that will push both Indian investments and services into the island nation. Indo-Lanka ETCA that promises Indian investments in Lanka besides boosting service sector hopes to be in place by year-end despite strong opposition. A four-member Indian team led by a Commerce Ministry official was in Colombo this week for the first round of negotiations with their Lankan counterparts.. As this was the very first meeting, the two sides explored the broad contours of the ETCA in terms of areas it should cover and avoid. The two sides also apprised each other of their needs and concerns in the light of the changing economic situation and the experience accruing from the India-Sri Lanka Free Trade Agreement (ISLFTA) which has been in existence since 2000. While India is looking at the ETCA as a mechanism to enable it to participate in the post-war economic development of Sri Lanka through Indian investments in select areas, the Sri Lankan government is seeking to use ETCA to become part of the Indian supply chain for the manufacturing sector, indicated a person familiar with the discussions and further facilitation.

SOURCE: The Economic Times

**NIGERIA**

**Nigeria imports Textiles & Clothing worth US\$ 4 billion per year**

Nigeria spends over US\$ 4 billion per year on importing textiles and clothing, as stated by Director general at the Textile Manufacturers Association of Nigeria (TMAN). revealed. The Textiles and apparels manufactured for the domestic

market can also be exported to the US under AGOA and to the European Union under its GSP scheme. However country is worried over the huge imports of textiles and clothing, which is not only weakens the domestic industry, steals jobs and reduces government revenue. Kwajaffa, Director General at Textile Manufacturers Association of Nigeria (TMAN). urged the government to address the eight challenges which were earlier brought to the notice of the government. They include re-scheduling of the CTG loan facility, high tariff on gas despite fall in oil and gas prices, supplying fuel to industry, consistent supply of certified seeds to farmers and lastly allocating forex at official rates.

SOURCE: Fibre2fashion

**GEORGIA**

**Georgian city to become developed Textile Industry**

Kutaisi, a legislative capital of Georgia, and its third largest city by 2017 will become city of the developed textile industry as two new plants will be built in the near future and 10,000 people will work at the textile enterprises, said the Secretary General of International Investors Association of Georgia, Osman Chalishkan. According to him, today, the main problem is the lack of qualified personnel, and they are negotiating with the Ministry of Economics regarding the opening of special centres to train future employees of the textile companies. He further added that materials will be imported in Georgia and sewed clothes with the label "Made in Georgia" will be exported abroad. The textile industry's potential is very large because of the cheap



workforce and the active support from the government, an investor stressed. In the European football championship 2016, eight teams wore clothes made in Georgia, and it is a subject of great pride for the country.

*SOURCE: Yarns&Fibers*

## MAURITIUS

### Textile export revenue to UK to decline by 10% due to BREXIT

Revenues generated by Mauritius from textile exports to Britain will decline by about 10 percent this year as a result of the British vote to leave the European Union.

The EU is Mauritius' largest trading partner. Mauritius earns an annual average of 25.55 billion rupees (US\$ 722.77 million) from goods shipments to the bloc.

Britain remains the largest buyer of Mauritian goods within the EU, accounting for 18 percent of total exports to the bloc. Textiles are Mauritius' top export to the UK.

The Mauritius Exports Association (MEXA) report said 90 percent of all revenues from exports of textile and apparels to the UK comes in pounds while imports are in U.S. dollars.

MEXA said exporters' profitability is expected to be "squeezed both in terms of exports and imports; exports revenue being depleted with the depreciation of the pound... and costs being inflated with the appreciation of the U.S. dollar.

In 2015, textile and apparel exports to Britain amounted to 6.57 billion rupees, according to MEXA data.

*Source : Reuters Africa*

## MALAYSIA

### Textile and clothing exports up 10% in the first half of 2016

Malaysia's textile and apparel exports rose 10% to RM6.99 billion in the first half of 2016 from RM6.33 billion a year ago.

The surge has been attributed to the increasing global demand for high quality textile and clothing from Malaysia, as well as rising purchasing power in major importing countries, namely the US, European Union countries, and Canada.

The demand for textile and apparels is expected to increase to US\$160 billion (RRM641.2 billion) at the end of 2018.

In terms of volume, the global demand is expected to reach 30 million tonnes by 2018, with Asia being a major source of imports from the US and EU nations.

*Source : <http://www.thesundaily.my/>*

## USA

### Textile and apparel manufacturing resurges

Textile and apparel manufacturing in the USA is enjoying resurgence. Even companies based in India and China are investing in US facilities, according to reports.

This process of "reshoring" may have been triggered partly by concerns over factory safety and by growing concerns over the safety of chemicals and a lack of traceability. Equally, retailers and brands are being taken to task over environmental sustainability. All of these are easier to monitor and control in US factories than they are in far-off developing countries.

At the same time, developments in technology notably automation and robotic are enabling US factories to cut their costs while proximity to the market provides producers in the USA with a significant competitive advantage over companies based in distant countries in terms of quick response and market knowledge.

Reshoring would appear to have the support of the public. Almost eight out of ten US consumers say they would rather buy an American-made product than an imported one. And over 60% of them would be willing to pay 10% more for it.

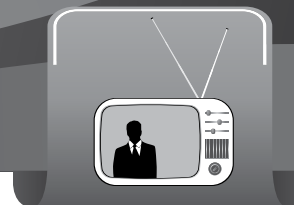
To fill the gap, migrants are playing an important role in the reshoring of textiles and clothing. In general, migrants have a younger age profile than that of the US population as a whole and, if motivated properly, they are likely to work harder and more energetically than their older counterparts. Besides, economic migrants are, by definition, motivated by the potential for increasing their standard of living and are therefore willing to put in the hours and effort required to achieve this. Above all, many migrants bring with them the sewing skills they acquired in their countries of origin particularly those migrants who originate in Mexico or other Latin American countries.

However, the availability of migrants as a human resource is likely to be limited by public opinion. The subject of migration raises temperatures in most host countries, and there is evidence that the tide is very much against migration on a significant scale.

*Source : [www.ajot.com](http://www.ajot.com)*







### INDIAN EXPORTS IN RED AGAIN

India's merchandise exports resumed their declining trend in July after a marginal rise in June as Brexit and slowing global growth pulled down shipments. July 2016 exports were down by 6.8% to US\$ 21.6 billion, while the decline in imports was sharper at 19% to US\$ 29.4 billion as per the data released by the Commerce Department. Trade deficit in the month narrowed to US\$ 7.76 billion from US\$ 8.1 billion in June 2016. The year-on-year rise in merchandise exports, both aggregate and non-oil, has proved to be short lived with widespread year-on-year de-growth in July 2016. The decline in export reflect the contraction in global trade and leading exporting countries like China also witnessed similar decline in the month of July, 2016. Global trade uncertainties are increasing and Brexit has further compounded the same. China's exports fell 4.4% in July and imports declined 12.5%. As many as 23 of the 30 exporting sectors reported negative growth. The government has set a target of increasing India's exports to US\$ 900 billion by 2018-19 and expanding the country's share of global exports to more than 3%. Sharp fall in import. Non-petroleum imports contracted 15.8% to US\$ 22.6 billion while oil imports shrank 28% to US\$ 6.8 billion.

*SOURCE: The Economic Times*

### GST Rate at 12% will negatively impact Textile sector

According to ICRA a 12% (lower rate) recommended by the Dr. Arvind Subramanian Committee is likely to have a negative impact on the textile sector, especially the cotton value chain, which is currently attracting zero central excise duty (under optional route); unlike the Man-made fibre sector, where the fibre attracts excise duty at the manufacturing stage (unlike cotton). Hence there is an incentive for the downstream players in Man-made sector to avail the Input Credit Tax (ITC).

On the positive side, under GST, textile players which are oriented towards domestic markets will be able to ITC on domestic capital goods (but not the import duty) as their sales will be subject to GST. Accordingly, this will reduce the cost of capital investments and hence will be positive for the players operating in domestic markets. With GST on textile, the textile value chain

will become more organised as it will make GST non-compliant suppliers uncompetitive vis a vis GST-compliant suppliers, as the buyers won't be able to take ITC, Due to the reduced tax advantage of cotton yarn vis a vis Man-made yarn, there can be a gradual shift in the domestic textile industry, which currently operates with a fibre mix of cotton: manmade of 60:40; as against a global average of cotton: Man-made of 40:60. However, the above impact will be dependent on the final rates which will be applicable to the sector. The exports will be zero rated under the GST as there will be transparency and availability of full ITC for exporters which is currently being provided by duty drawback schemes. Accordingly the duty-drawback will lose its relevance under GST; however sectors where the drawback rates are higher than actual indirect taxes on inputs may face profitability pressures, an ICRA assessment states.

*SOURCE: The Economic Times*

### Tax incentives for Garment sector

A bill to provide tax incentives to the garment sector was approved by Lok Sabha today after Finance Minister Arun Jaitley said these measures will help in creating jobs and protect domestic industry from import surge. The Taxation Laws (Amendment) Bill, 2016. He also seeks to expand the definition of "demerger" with a view to facilitate the splitting or reconstruction of erstwhile public sector companies. The changes in the Income Tax Act will give effect to the conditions attached to the transfer of shares by the government,

As regards the garment sector, the bill eases the condition for availing tax incentives under Section 80JJAA of the Income Tax Act, 1961. "In view of the seasonal nature of the business of the manufacturing of apparel, there is need to reduce the period of employment of an employee who is employed in this business from 240 days to 150 days," as per the state of objects and reasons of the Bill. The incentive is aimed at making Indian "apparel industry competitive, so that they are able to make the cost advantage. It is sure with these incentives, the industry would be able to contribute a large number of jobs.

*SOURCE: The Financial Express*



### Anti-Dumping duty on Viscose Staple Fibre

The Finance Ministry has imposed definitive anti-dumping duty on viscose staple fibre, excluding bamboo fibre imports from China and Indonesia. The move follows the recommendation of the designated authority in the Commerce Ministry in its final findings in early July this year. The petition seeking anti-dumping duty on such viscose staple fibre was filed by the Association of Man-Made Fibre Industry of India on behalf of the domestic industry. Grasim Industries Ltd, is the sole producer of VSF (excluding bamboo fibre). VSF, excluding bamboo fibre, is mainly used in the textiles industry in fashion wear, home furnishings and carpets, household textiles and also for medical uses. The anti-dumping duty which is valid for five years ranged from US\$ 0.103 per kg to US\$ 0.512 per kg in the case of VSF imports from Indonesia. For VSF imports from China, the anti-dumping duty ranged from US\$ 0.180 per kg to US\$ 0.194 per kg.

*SOURCE: The Hindu Business Line*

### Disparity in Excise duty rates likely to be erased

At present, man-made fibres attract a 12% excise duty while cotton fibres attract none. This duty disparity has distorted the domestic consumption pattern in favour of the cotton fibre, divergent to the global trend. The man-made textile segment long neglected by policy makers, finally expects a "level-playing field" vis-a-vis cotton textiles as the country braces for a goods and services tax (GST) regime. Although the actual GST rate applicable to textile and garment products will be announced in due course, the current disparity in the excise duty rates of cotton and man-made fibre will be "erased", unless the government decides to give some exemption to cotton fibres. Industry executives expect a GST rate of around 15%, if the peak rate is 18%, arguing that textile and garments are essential items. Textile experts said that Man-made fibre-based products will be more competitive vis-a-vis textiles items based on cotton fibre. This will be a good policy push, in sync with the global realities. However, both cotton and Man-made fibre are also subject to 4-5% state VAT, which will be included by the GST. However,

if the duty treatment of all cotton and man-made fibres remains the same, prices of textile items made of cotton fibre could raise. But equal tax treatment will give a push to Man-made fibre production and subsequent exports. The MMF industry has long been complaining that the duty disparity is preventing domestic producers from scaling up operations and, consequently, hurting India's export competitiveness in Man-made textiles. This is because Man-made fibres account for around 70% of the world's total fibre consumption, they make up for less than 30% of India's demand.

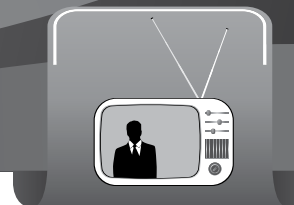
*SOURCE: Yarns&Fibers*

### VSF price hike on cards

The price hike of viscose staple fibre (VSF) is on the anvil. The domestic VSF prices are expected to be increased by ₹ 5000 to ₹ 6000 per tonne for August deliveries, informed market sources. The 1.2 Denier basic price is presently quoted at ₹ 146,000 per tonne in the domestic market, sources said. The prices hike is inevitable considering the rising price trend in the international market. The international prices of VSF are quoted at US\$ 2.07 cents per kg. The current international VSF price is all-time high for the VSF industry and is likely to go up on account of lower VSF production in China. Many Chinese VSF plants have shut down on account of environment issues and another shut down is likely on account of which prices are expected to escalate further, sources informed. The prices of VSF also started moving on account of increasing cotton prices in the international and domestic markets.

In view of rising cotton prices, the yarn production of the mill industry is witnessing a paradigm shift from natural to Man-made fibres. This situation is to stay in India until the new cotton crop arrivals start and domestic cotton prices stabilise, informed market sources. Sources further said that on account of rains, the arrivals will be delayed this year by around 3-4 four weeks. The pressure of arrivals will not be felt till mid November. Only when cotton arrivals gain momentum that cotton prices will ease. Until then the Man-made fibres will continue to have a good run, sources pointed out.

Meanwhile, sources informed that the polyester staple fibre have been rolled over by the domestic polyester producers for August deliveries. The POY and FDY prices have also been rolled over for the current month, sources



said. If VSF prices are hike is too steep, then blended yarn spinners will shift to higher polyester blends.

*SOURCE: The Tecoya Trend*

### Man-made fibre yarns Export continues uptrend

100% man-made fibre yarns export from India was valued at US\$20.76 million in June 2016, up 35.9 per cent YoY while volumes were at 7.82 million kg, up 40.5 per cent as compared to the same month last year. The total volume comprised 2.93 million kg of polyester yarn, 3.81 million kg of viscose yarn and 1.07 million kg of acrylic yarn. Polyester yarn exports were up 6.9 per cent in value while viscose yarn exports value surged 108.3 per cent during the month. Acrylic yarn exports saw a drastic plunge of 24.7 per cent in June. Unit price realization was down US cents 14 a kg for polyester from a year ago and that of viscose yarn was down US cent 1 a kg. Acrylic yarn unit price realization was down US cents 70 a kg year on year basis. Polyester spun yarns were exported to 49 countries in June with total volumes at 2.93 million kg, of which, 23.2 per cent was shipped by Turkey alone. Twelve new destinations were found for polyester yarn this June, of which, Canada, Argentina, Uganda, Algeria and Russia were the major ones. Turkey, Egypt and Indonesia were the fastest growing markets for polyester yarns while four countries did not import any polyester yarns during the month including Botswana and Nigeria. Viscose yarn export

was at 3.81 million kg and was exported to 25 countries with Iran at the top, followed by Belgium. Both these markets accounted for 45.7 per cent of all viscose yarn exported in June. Brazil, Egypt, Germany and Indonesia were the fastest growing markets for viscose yarns while Portugal, United Kingdom, Canada, China and Turkmenistan were the new major markets. Pakistan, South Korea and Vietnam were the major ones among the 7 countries that did not import any viscose yarns during the month.

*SOURCE: Yarns&Fibers*

### US wants to hike imports of Bangladesh Apparel

US ambassador to Bangladesh, Marcia Bernicat informed that the US wants to increase import of apparels and other products from Bangladesh. Various apparel industry issues including Bangladesh's export potential in the US market and remediation finance were discussed. The US is the second largest market for Bangladesh's clothing products after the European Union and reported that it will source more apparel's from the country. The US buys more Bangladeshi garment products than any other country in the world, which increased 7.55 per cent to about US\$ 6.2 billion in 2015, The Bangladesh government has encouraged all US businesses to come and continue doing their business with the country.

*SOURCE: Fibre2fashion*



## ATTENTION : MEMBERS

### Renewal of Membership 2016-2017

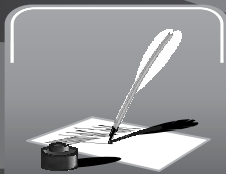
Kindly refer to the Council's letter no.Secy/Mem/198 dated 22<sup>nd</sup> March, 2016 and the Subscription Memo sent along with the Circular in this regard to all members regarding renewal of your Membership of the Council for the year 2016-2017.

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%)



## SAFEGUARD DUTY - FAQs

### Frequently Asked Questions

A sudden increase in imports as a result of trade liberalization can put strain on domestic industries. Safeguards are a type of safety-valve built in to the World Trade Organisation (WTO) to protect domestic producers temporarily while they adjust in order to become more competitive with foreign producers.

#### (1) What is a safeguard?

- A form of temporary help.
- Gives a period of grace to domestic producers for becoming more competitive concerning imports.
- Used when imports of a particular product, as a result of tariff concessions or other WTO obligations undertaken by the importing country, increase unexpectedly to a point that they cause or threaten to cause serious injury to domestic producers of “like or directly competitive products”.

#### (2) Why do we have safeguards?

- Gives WTO members, confidence to offer each other greater liberalization measures in trade negotiations.

#### (3) Purpose of agreement on safeguards

- Sets out the rules for application of safeguard measures and requirements for safeguard investigations by national authorities.
- Emphasizes transparency and avoidance of arbitrariness.
- To encourage structural adjustment on the part of the industries adversely affected by increased imports, thereby enhancing competition in international markets.
- Aims to cure the problems caused by ‘grey area measures’, permanent safeguard actions, Voluntary Export Restraints and orderly marketing arrangement.
- Prohibits the future use of ‘grey area measures’ for the purpose of trading multilateral control.

#### (4) When can safeguards be applied?

- There are increased imports – the increased quantity of imports may be either an absolute increase or an increase relative to domestic production.
- There is serious injury or a threat of serious injury to domestic industry (producers).

#### (5) Safeguards and Non-discrimination

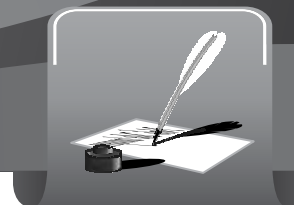
- The WTO principle of non-discrimination is embodied in the Agreement on Safeguards.
- Safeguard measures must be applied on a non-selective basis, must be progressively liberalized and give rise to a duty on the member imposing them to compensate other members whose trade is affected.

#### (6) What procedures must be followed for safeguards investigations?

- By following an investigation conducted by competent authorities in accordance with established procedures to ensure transparency.
- Safeguard Agreements sets out some rules for how the investigation process must operate but leaves the details for members to determine within their own territories.

#### (7) Rules in the Safeguard Agreement

- Investigation procedure must be established and published prior to being used.
- Reasonable public notice for any investigation.
- Investigating authorities must publish a detailed analysis of the case in the form of a report presenting and explaining their findings on all pertinent issues, hold public hearings or provide other appropriate means for interested parties (must notably the importer, exporters and producers) to present their views and respond to the views of others with respect to the matters being investigated. The parties’ views must be sought on whether or not a safeguard measure would be in the public interest.



### **(8) How long can safeguards be in place?**

- May not last longer than four years, unless through a new investigation its continuation is necessary and there is evidence that the industry is adjusting.
- Any extension may not exceed eight years (or ten years for developing countries)

### **(9) Review of safeguard measures**

- Measures due to last more than three years must be reviewed at mid-term and based on that review, if appropriate, the WTO member applying the measure must withdraw it or accelerate its liberalization.

### **(10) Extent of safeguard measures**

- Can be applied only to the extent necessary to remedy or prevent serious injury and to facilitate adjustment.
- No specification of any maximum increase in the tariff above the bound rate.

### **(11) Re-application of safeguard measures**

- Another rule in the Agreement on Safeguards aimed at a pre-Uruguay Round abuse is that a safeguard may not be reapplied to a product until the longer of two years and a period equal to the duration of the original safeguard measure has elapsed.
- For developing country members, this period is replaced with the longer of 2 years and half the duration of the original safeguard.
- Other members too may reapply a safeguard measure of 180 days or less provided at least a year has elapsed since the date of the original safeguard measure was introduced and no more than two safeguard measures have been applied on the product during the five years immediately preceding the date of re-application.

### **(12) Developing countries and safeguards**

- Safeguard measures shall not be applied against a product originating in a developing country Member as long as its share of imports of the product concerned in the

importing Member does not exceed 3 per cent, provided that developing country Members with less than 3 per cent import share collectively account for not more than per cent of total imports of the product concerned.

### **(13) Committee on Safeguards**

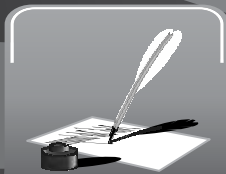
- To monitor, report on and make recommendations to the Council for Trade in Goods on the implementation and operation of the Agreement on Safeguards;
- Review WTO members' notifications;
- Make findings as to another member's agreement with respect to the Procedural provisions of the Agreement on Safeguards for the application of safeguard measures, when requested by a WTO member;
- Assist with consultations;
- Monitor the phasing out of pre-existing measures;
- Review proposed suspension of concessions in the absence of compensation.

### **(14) What happens if there is a dispute over the legality of a safeguard?**

- The Agreement on Safeguards directs members to pursue consultations and disputes arising under the general WTO dispute settlement procedures.

### **(15) Does India apply any safeguards ?**

- The Customs Tariff Act, 1975 has been amended to include various provisions for giving relief to the domestic producers against injury caused to them by imports in accordance with the Agreements.
- These include Section 8B, Section 8C, Section 9A, Section 9B and Section 9C of the Customs Tariff Act, 1975 and the Rules made thereunder. These provisions are aimed at offsetting the adverse effects of increased imports, subsidized imports or dumped imports & imports from Peoples' Republic of China.



- The Customs Tariff (Identification and Assessment of Safeguard Duty) Rules, 1997 and Customs Tariff (Transitional Products Specific Safeguard Duty) Rules, 2002 govern the procedural aspects.

**(16) Who can file the application?**

- Any aggrieved producer / manufacturer, trade representative body, firm or association, which is representative of domestic industry.

**(17) What information is required to be included in the application?**

- The application should contain, inter alia, the following information :-
  - General Information about the applicant(s).
  - Product in respect of which increase in imports noticed.
  - Increased imports.
  - Domestic production.
  - Injury.
  - Cause of injury.
  - Submissions.

**(18) When can one file an application?**

- When increased imports of particular product cause or are threatening to cause serious injury to the domestic producers or competitive articles.

**(19) How to collect information about imports in the country?**

- Directorate General of Commercial Intelligence & Statistics (DGCIS) publication, Customs Daily lists and / or information otherwise available,
- Source of information must be specified while furnishing information.

**(20) What happens if some information is not made available or if the concerned parties do not cooperate?**

- The Director General may record his findings on the basis of the facts available to him and

make such recommendations to the Central Government as he deems fit under such circumstances.

**(21) When should one apply for anti-dumping duty, countervailing duty or safeguard duty?**

Anti-Dumping Duty	Countervailing Duty	Safeguard Duty
If the goods are imported at dumped prices.	If the goods were subsidised in the country of export	If the goods have entered in increased quantities
If the dumped imports cause or threaten to cause material injury or material retardation of the establishment of a domestic industry.	If the subsidised imports cause or threaten to cause material injury or material retardation of the establishment of a domestic industry.	If the increased imports cause or threaten to cause serious injury to the domestic producers of like or directly competitive products.

**(22) Can one apply simultaneously for both anti-dumping duty and safeguard duty?**

- The Safeguard duty Rules require that in case the injury to the domestic industry is caused due to dumping, the domestic industry should seek for the imposition of anti-dumping duty and not safeguard duty.

**(23) Cases investigated by the Director General**

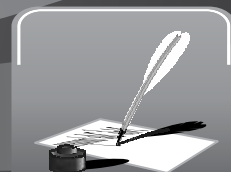
- The Director General has carried out 18 investigations so far.

**(24) Consideration of D.G.'S Recommendations**

- The Final Findings and the Recommendations of the Director General is considered by the Standing Board on Safeguards under the chairmanship of Commerce Secretary. Then the views of the Standing Board on Safeguards are placed before the Finance Minister for approval in respect of Safeguard Duties & to the Commerce Minister for imposition of Quantitative Restrictions.

*Source : Directorate General of Safeguards, Department of Revenue, Ministry of Finance, Govt. of India*





## INDEX OF INDUSTRIAL PRODUCTION (IIP) (APRIL-JUNE 2016-17)

### HIGHLIGHTS

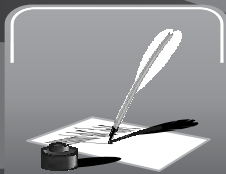
- The Index of Industrial Production (IIP) grew at a high of 2.1% in June, 2016 over the index of June, 2015.
- The Cumulative overall growth of IIP registered growth of 0.6% during the first quarter (April-June) 2016-17 as compared to the same quarter of the previous year.
- The Index of Industrial production for the month of June 2016 for Textiles sector grew by 5.5% as compared to June 2015. The cumulative growth in Textiles Sector during April-June 2016-17 over the corresponding period of 2015-16 has been 3.2%.
- The index of manufacturing sector has increased by 0.9% during the month of June 2016, while the cumulative growth during April-June 2016-17 over the corresponding period of the previous year has declined by 0.7%.

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-June 2016-17, along with the cumulative growth rates over corresponding month/period of the previous year:

Industry code	Description	Percentage growth					
		April '15	June'15	April '16	June'16	Apr-June 2016-17	Apr-June 2015-16
17	Textiles	4.4	1.1	3.4	5.5	3.2	1.5
18	Wearing apparel	10.1	27.6	1.0	5.8	1.9	17.3
15-36	Manufacturing	5.1	4.6	-3.1	0.9	-0.7	3.6
	General	4.1	3.8	-0.8	2.1	0.6	3.2

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





## GST - THE TIMELY REMEDY FOR THE TEXTILE INDUSTRY

**G**ST is one indirect tax for the whole nation, which will make India one unified common market. GST is a single tax on the supply of goods and services, right from manufacturer to the consumer. **It will subsume central indirect taxes like excise duty, countervailing duty and service tax, as also state levies like value added tax, octroi and entry tax, luxury tax.**

Goods and Services tax (GST) constitutes the last mile of a long journey of reforms of indirect taxes in India. Rajya Sabha passed the GST bill on 3<sup>rd</sup> August, 2016 and Lok Sabha passed GST Bill on 8<sup>th</sup> August 2016.

The Exports of Indian textiles are one of the vibrant exports to all over the world. The introduction of GST Duty will boost Indian textile exports to a great extent by making it globally competitive. It is a welcomed tax pattern bringing many benefits along with it. Implementation of the GST will lead to lowered input costs and reduction in the prices of the finished synthetic textile at the consumer level. It will reduce much paper work. The textile industry has high hopes from the GST.

The GST will prove to be right and timely remedy for the complicated textile industry, which has invited a number of disputes in relation to the current taxation. Problematic issues of fabrics versus garments classification, differential taxation for cotton and man-made fibres and higher tax for composite mills than the powerlooms are infecting the industry. The GST will be a uniform rate of such disputed items and likely to amicably settle the disputes.

The excise duty on Man-made fibres is 12% & none on cotton fibres. This difference in duty has distorted the domestic consumption pattern in favour of the cotton fibre, contrary to the global trend. The Goods and Services Tax (GST) is a form of Value Added Tax which is predisposed to include all the indirect taxes and would be the same for every region of the country unlike the VAT. It will also allow the state government to get a share that was earlier entitled only to the centre in the form of Central Sales Tax.

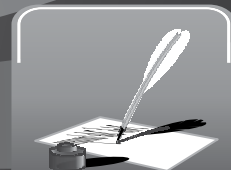
All textile items should be kept under GST with the minimum possible tax slab with the special rates, as this sector being an essential one for the common man. Representatives of the Textile Sector feel that GST is an opportunity for the government to bring the entire textile sector under tax net and this move will bring more transparency in the system and will trigger growth.

According to few advisors, there is a need to find alternative ways to maintain sector's competitiveness between Government and industry level. The weaker segments including ginning, handloom and handicrafts should be exempted from GST regime, while the rest may be kept in lowest tax rate. This tax can also act as a tool to promote shift of textile industry towards manmade fibre value chain, in line with the global trend. Keeping both cotton and manmade textile products under the same slab in GST is highly desirable for creating a fibre neutral business ecosystem. At manufacturing level, this is the high time to focus on technology, skill and productivity. This approach will help the industry to fight back the speculated negative impact of GST through enhanced competitiveness.

It is also expected that the textile and apparel manufacturing will have to face challenges from GST because it is a lightly taxed industry. The first and prime is rate growth effect. Currently, many of the textile products are either exempted or are subjected to low tax rates which ultimately may come to an end with this new regime. The tax rate imposed under GST may not match the lower revenue neutral rates of textile products. If not absorbed by the manufacturers, this may increase price of indigenous textile products which in turn may reduce their demand. This adverse effect can hamper the growth of the industry at least till the time it gets neutralised by the rise in investments and productivity linked with GST implementation.

Under GST system, there will be zero ratings on the exports. No GST will be imposed on exports of goods and services and GST paid by the exporters on the procurement of goods and services will be refunded.





Any manufacturing industry, textiles being a prime example, which is characterised by the inter-state movement of input and final goods, is subjected to multiple duties. The implementation of GST will be a positive move for such industries, eliminating the fiscal barriers and associated hassles in inter-state movement. Hence, GST regime is expected to boost manufacturing intended both for exports as well as domestic consumption.

#### Merits of GST

- GST will lead to increase in exports, employment opportunities & growth and will divide the burden of tax between manufacturing & services.
- Blocked input taxes will be eliminated as GST is a consumption tax.
- Zero rating on exports under GST will boost exports further without the need for explicit subsidy schemes.
- GST will make a hassle free transportation system. Supply of goods from one part to another will occur in less transit time at right place.
- GST will reduce inflation due to the controlled flow of taxes.
- GST will bring Central/Union tax credit availability leading to removal of extra level of warehousing/ supply chain.
- GST will make India an even and seamless market.

#### Demerits of GST

- Claiming Drawback and other exemption will become cumbersome with the introduction of GST.

- GST will be imposed where the Textile Industry was enjoying Excise benefits.
- GST will lead to huge inequalities in income & wealth. The majority of the people would be at the mercy of big business houses. There will be growth in the economy without development.
- GST highlights the difference between goods and services tax instead of blurring them out. Due to this, the common man filing the tax-returns will have to suffer.
- GST requires strong Information Technology infrastructure at grass-root levels. As India is essentially lacking this factor, it's going to be the bottleneck, if not addressed well in advance.
- GST will have very high rates of 16% compared to current 12.5%.

#### Pros and Cons for Governments

- Both Central and State government shall lose their power to change tax rates
- Central will have the power to reject any proposal for state. States too may have power, if the parties in Central Government don't have governments at State
- There will be administrative challenges as to who will manage GST. The dispute resolution mechanism may become complex.
- States are feeling that they may lose flexibility to levy tax and hence attract investments.



## SRTEPC MEMBERS DIRECTORY

The Synthetic & Rayon Textiles Export Promotion Council in commemoration of its 60 years service to the industry, presents the 1<sup>st</sup> 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](mailto:anand@srtepc.in)/Mrs Barbara Mendes, Sr. Executive E-mail : [barbaram@srtepc.in](mailto:barbaram@srtepc.in).



## MINISTRY OF COMMERCE & INDUSTRY

### DGFT

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Trade Notice No.12/2016	01.08.2016	Reconstitution of Board of Trade (BoT)	Regarding the inclusion of the name of President, Laghu Udyog Bharti, New Delhi as Ex-officio member of Board of Trade in the Constitution of Board of Trade	<a href="http://dgft.gov.in/Exim/2000/TN/TN16/TN1216.pdf">http://dgft.gov.in/Exim/2000/TN/TN16/TN1216.pdf</a>
(2)	Notification No. 21/2015-2020	11.08.2016	Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories. Amendments in FTP 2015-20	<p>As per this notification, a new scheme called Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories of Chapter 61 &amp; 62 of ITC(HS) Classification has been introduced. This scheme shall come into force from 1st September 2016 wherein exporters are entitled for an authorisation for fabrics including inter lining on pre-import basis, and All Industry Rate of Duty Drawback for non-fabric inputs on the exports.</p> <p>Under this Scheme, exporters shall be eligible for All Industry Rate of Duty Drawback, for non fabric inputs, as determined by Central Government for this scheme. For the purpose of value addition norm of para 4.08 of FTP, the value of any other input used on which benefit of Drawback is claimed or intended to be claimed shall be equal to 22% of the FOB value of export realised. Minimum value addition shall be as per para 4.09 of FTP.</p>	<a href="http://dgft.gov.in/Exim/2000/NOT/NOT16/Noti%20No.%2021%20english.pdf">http://dgft.gov.in/Exim/2000/NOT/NOT16/Noti%20No.%2021%20english.pdf</a>
(3)	Public Notice No. 25/2015-20	13.08.2016	Removal of mandatory warehousing requirements for EOUs, STPIs, EHTPs etc. - Amendment in (i) paras 6.06, 6.20 and 6.40 of Hand Book of procedures(HBP) 2015-2020; and (ii) Appendix 6E, 6G,6H, 6M,5C and ANF 6A, ANF 6B of appendices and Aayat Niryat Forms of FTP 2015-2020.	Amending (i) paras 6.06, 6.20 and 6.40 of Hand Book of Procedures(HBP) 2015-2020; and (ii) Appendix 6E, 6G,6H, 6M,5C and ANF 6A, ANF 6B of appendices and Aayat Niryat Forms of FTP 2015-2020.	<a href="http://dgft.gov.in/Exim/2000/PN/PN16/PN%2025%20Eng%20PDF%2013.08.2016.pdf">http://dgft.gov.in/Exim/2000/PN/PN16/PN%2025%20Eng%20PDF%2013.08.2016.pdf</a>



Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(4)	Public Notice No. 24/2015-20	04.08.2016	Amendment in Para 4.38 (v) of Hand Book of Procedures 2015-20 for allowing Clubbing of Advance Authorizations for Annual Requirement.	Facility of clubbing is now allowed for Advance Authorisations for Annual Requirement issued during Foreign Trade Policy period 2009-14 and 2015-20 wherever exports and imports have taken place as per Standard Input Output Norms (SION) notified (available in Handbook of Procedures).	<a href="http://dgft.gov.in/Exim/2000/PN/PN16/PN%2024%20dated%2004.08.2016%20English.pdf">http://dgft.gov.in/Exim/2000/PN/PN16/PN%2024%20dated%2004.08.2016%20English.pdf</a>
(5)	Policy Circular No.01/2015-20	26.07.2016	Relief in Average Export obligation in terms of Para 5.19 of Hand Book of Procedures of FTP 2015-20	Para 5.19 of the Hand Book of Procedures of FTP 2015-20 permits re-fixation of Annual Average Export obligation, in case the export in any sector/ product group decline by more than 5%. This implies that the sector/product group that witnessed such decline in 2015-16 as compared to 2014-15, would be entitled for such relief. A list of such product groups showing the percentage decline in exports during 2015-16 as compared to 2014-15 is Annexed in the Circular.	<a href="http://dgft.gov.in/Exim/2000/CIR/CIR16/pc01_2017.pdf">http://dgft.gov.in/Exim/2000/CIR/CIR16/pc01_2017.pdf</a>
(6)	Trade Notice No.10/2016	20.07.2016	Closure of EPCG authorizations in case of supplies to SEZ units which have been made prior to 01.04.2015 and where exports proceeds have not been realized through Foreign Currency Account (FCA) of the SEZ unit.	Attention is invited to Para 5.7.2 of HBP 2009-14, Para 5.7.2 of HBP 2004- 09 (RE:2008) and the relevant Paras of the earlier policies Para 5.7.2 stipulates as under "Export proceeds shall be realized in freely convertible currency except for demer exports. Exports to SEZ units/ Supplies to developers/ Co- developers, irrespective of currency of realization would also be counted for discharge of Export obligation".	<a href="http://dgft.gov.in/Exim/2000/TN/TN16/TN102016.pdf">http://dgft.gov.in/Exim/2000/TN/TN16/TN102016.pdf</a>

## MINISTRY OF FINANCE

### CBEC - CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Circular No.33/2016-Customs	22.07.2016	Review of entity based facilitation programmes viz. Accredited Client Programme (ACP) and Authorized Economic Operator (AEO) programme-Revised Guidelines.	According to the revised guidelines of the Circular, CBEC has decided to merge the two facilitation schemes to form a three-tier AEO programme to enhance the scope and provide entities who have demonstrated strong internal control system and willingness to observe the laws.	<a href="http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ33-2016cs-revised.pdf">http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ33-2016cs-revised.pdf</a>
(2)	Notification No. 44/2016-Customs	29.07.2016	Amendment in Notification 52/2003 Customs dated 31.3.2003	Regarding amendments in the Notification No. 52/2003- Customs dated 31 <sup>st</sup> March, 2003 relating to Exemption to specified goods.	<a href="http://cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-tarr2016/cs44-2016.pdf">http://cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-tarr2016/cs44-2016.pdf</a>



Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(3)	Circular No. 36/2016 - Customs	29.07.2016	Procedure for exports through FPO, Delhi / Mumbai / Chennai using e-commerce platform under MEIS Scheme of Chapter 3 of Foreign Trade Policy 2015-20).	Para 3.05 of the Foreign Trade Policy (FTP) 2015-20 provides for export of goods through select foreign post offices as a part of e-Commerce exports. Exports of goods through foreign post office using e-commerce shall be permitted through the Foreign Post Offices at Delhi, Mumbai & Chennai. The exports shall be entitled for rewards under MEIS. The list of eligible categories of goods under MEIS have been listed in Appendix 3C of the FTP.If the value of exports using e-commerce platform is more than ₹ 25,000 per consignment, then MEIS reward would be restricted to an FOB value of ₹ 25,000 (₹ Twenty five thousand) only.	<a href="http://www.cbec.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ36-2016cs.pdf">http://www.cbec.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ36-2016cs.pdf</a>
(4)	Notification No.43/2016-Cus (ADD)	08.08.2016	Imposition of anti-dumping duty on the imports of Viscose Staple Fibre excluding Bamboo Fibre originating in or exported from Peoples Republic of China and Indonesia for a period of five years.	Intimating about the imposition of anti-dumping duty on imports of "Viscose Staple Fibre excluding Bamboo Fibre".	<a href="http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-add2016/csadd43-2016.pdf">http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-add2016/csadd43-2016.pdf</a>
(5)	Notification No.45/2016-Customs	13.08.2016	Exemption for import of fabrics under Special Advance Authorization Scheme under para 4.04A of FTP 2015- 20 for manufacture and export of garments.	Regarding provision of exemption to fabrics (including interlining) from import duty.  This notification shall come into force on the 01 <sup>st</sup> September, 2016.	<a href="http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-tarr2016/cs45-2016.pdf">http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-tarr2016/cs45-2016.pdf</a>
(6)	Notification No. 110/2016-Cus (NT)	13.08.2016	Amends notification no. 110/2015- Customs (NT) dated 16.11.2015 to specify All Industry Rates of drawback for export of garments under Special Advance Authorization Scheme under para 4.04A of FTP 2015-20.	Regarding amendments in Notification No 110/2015-Customs (NT) dated 16th November, 2015 to specify All Industry Rates of drawback for export of garments under Special Advance Authorization Scheme under para 4.04A of FTP 2015-20.	<a href="http://cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt110-2016.pdf">http://cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/csnt110-2016.pdf</a>
(7)	Circular No. 37/2016-Customs	13.08.2016	Special Advance Authorization Scheme under para 4.04A of FTP 2015-20 in combination with AIR Drawback.	CBEC's Systems Directorate is making all the necessary EDI related arrangements for implementation including specifying the appropriate new scheme code that would need to be declared by exporters making exports under the Special Advance Authorization Scheme cum AIR Drawback	<a href="http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars-2016/circ37-2016cs.pdf">http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars-2016/circ37-2016cs.pdf</a>



Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(8)	Circular No.35/2016	29.07.2016	Removal of mandatory warehousing requirements for EOUs, STPIs, EHTPs etc - Amendment to Notification 52/2003-Customs dt 31.3.2003.	Chapter 6 of the Foreign Trade Policy (FTP) provides for manufacture of goods and supply of services, including repair, re-making, reconditioning, re-engineering by Export Oriented Units (EOUs), Electronics Hardware Technology Park Units (EHTPs), Software Technology Park Units (STPIs) and Bio-Technology Park Units (hereinafter referred to as "units") and undertaking to export their entire production of goods and services, except permissible sales in DTA. In view of the warehousing procedures having been dispensed with for these units, the system of sending re-warehousing certificates to the customs station of import shall also stand dispensed w.e.f 13 <sup>th</sup> August, 2016.	<a href="http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ35-2016cs.pdf">http://www.cbec.gov.in/htdocs-cbec/customs/cs-circulars/cs-circulars-2016/circ35-2016cs.pdf</a>

## CBEC - CENTRAL EXCISE

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Notification No. 42/ 2016- C. Ex. (N.T.)	11.08.2016	Specification of 17 <sup>th</sup> August, 2016 as the date on which clause (v) of rule 5 and rule 6 of Central Excise (Amendment) Rules, 2016 notified by Notification No. 8/2016- Central Excise (NT) dated 1 <sup>st</sup> March, 2016, shall come into force	By this amendment, the revised return under Central Excise can be filed with effect from August 17, 2016.	<a href="http://www.cbec.gov.in/htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-nt2016/cent42-2016.pdf">http://www.cbec.gov.in/htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-nt2016/cent42-2016.pdf</a>
(2)	Notification No. 32/2016- C. Ex. (N.T.)	11.07.2016	Seeks to further amend notification No. 35/2001-Central Excise (NT) dated 26.06.2001 so as to exempt mandatory physical verification of manufacturing premises in respect of manufacturers of readymade garments and made up articles of textiles.	Manufacturers of branded readymade garments and textile made up articles, falling under Chapters 61, 62 or 63 (except laminated jute bags falling under Tariff ID 6305, 63090000 or 6310) and having Retail Sale Price of 1,000/- and above, are covered under Central Excise levy vide Union Budget 2016-17. Accordingly, the manufacturers are required to get registered and pay appropriate duties. Generally, the premises of manufacturer are physically verified before granting registration under Central Excise Laws. However, these manufacturers of branded readymade garments are granted exemption from mandatory physical verification of manufacturing premises vide amendments to Notification No. 35/2001-Central Excise (NT) dated 26 <sup>th</sup> June, 2001.	<a href="http://cbec.gov.in/resources//htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-nt2016/cent32-2016.pdf">http://cbec.gov.in/resources//htdocs-cbec/excise/cx-act/notifications/notfns-2016/cx-nt2016/cent32-2016.pdf</a>

## CBEC - SERVICE TAX

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Instruction No. 137/08/2013 Service Tax	22-07-2016	Permission to pay service tax through non-electronic modes	The service tax is paid electronically through internet banking by the assessee under the Rule 6(2) of the Service Tax Rule, 1994. Now, CBEC has issued instructions, granting permission to pay service tax through any other mode.	<a href="http://www.cbec.gov.in/htdocs-servicetax/st-instructions/st-instructions-2016/prmsn-pay-st-non-elctrnsc-modes.pdf">http://www.cbec.gov.in/htdocs-servicetax/st-instructions/st-instructions-2016/prmsn-pay-st-non-elctrnsc-modes.pdf</a>



## MUMBAI CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 73/2016	26.07.2016	Procedure to be followed by existing licencees for application of New Warehousing Bond Licences under Section 57/ Section 58/ Section 58A of the Customs Act, 1962, pursuant to the enactment of the Finance Bill, 2016.	The Office of the Commissioner of Customs (Import-II), Mumbai Customs has issued this notice inviting Members of Trade regarding New Warehousing Regulations issued by the Board.	<a href="http://www.mumbai-customszone1.gov.in/site/PublicNotice.aspx?id=2218&amp;mode=view">http://www.mumbai-customszone1.gov.in/site/PublicNotice.aspx?id=2218&amp;mode=view</a>
(2)	Public Notice No. 78/2016	03.08.2016	Communication of efficiency memo and alerts notice through SMS & E-mail.	Regarding the decision taken during the Permanent Trade Facilitation Committee (PTPC) meeting held on 12.07.2016 that the Drawback queries and sanctions shall be informed to the members through SMS and Emails.	<a href="http://mumbaicus-tomszone1.gov.in/site/PublicNotice.aspx?id=2222&amp;mode=view">http://mumbaicus-tomszone1.gov.in/site/PublicNotice.aspx?id=2222&amp;mode=view</a>
(3)	Public Notice No. 86/2016	09.08.2016	Review of entity based facilitation programmes viz. Accredited Client Programme (ACP) and Authorized Economic Operator (AEO) and programme- Revised Guidelines.	Inviting attention to the Central Board of Excise and Customs (CBEC) Circular No. 33/2016- Customs dated 22 <sup>nd</sup> July, 2016 on the given subject.  The Central Board of Excise and Customs (CBEC) has decided to merge the two facilitation schemes namely Accredited Client Programme (ACP) and Authorized Economic Operator (AEO) programme into a combined three-tier AEO programme, and also enhance the scope of these programmes so as to provide further benefits to the entities who have demonstrated strong internal control system and willingness to comply with the laws administered by the CBEC	<a href="http://mumbaicus-tomszone1.gov.in/site/PublicNotice.aspx?id=2228&amp;mode=view">http://mumbaicus-tomszone1.gov.in/site/PublicNotice.aspx?id=2228&amp;mode=view</a>

## SAHAR AIR CARGO CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 28/2016-17	28.07.2016	Testing of imported Textile/textile Articles for its composition and Hazardous Dyes	Regarding the various testing methods to be conducted on imported Textile/ Textiles articles for its composition and hazardous dyes.	<a href="http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2016-17/public_notice_28_2016_17.pdf">http://accmumbai.gov.in/aircargo/miscellaneous/public_notices/2016-17/public_notice_28_2016_17.pdf</a>

## JNCH CUSTOMS

Sr. No.	Heading No.	Date	Subject	Description	Download the Link
(1)	Public Notice No. 106/2016	05.08.2016	Procedure for grant of Factory / Warehouse Stuffing Permission to the Exporters	Regarding the procedure for granting of Factory/ Warehouse Stuffing Permission (FSP) to the exporters and making amendments in the Custom House Public Notice No.65/2016 dated 28 <sup>th</sup> April, 2016.	<a href="http://www.jawaharcustoms.gov.in/pdf/PN-2016/PN_NO_106.pdf">http://www.jawaharcustoms.gov.in/pdf/PN-2016/PN_NO_106.pdf</a>



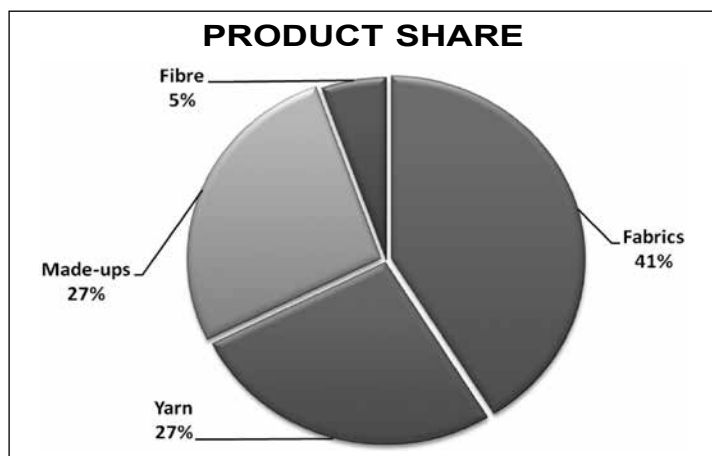


## EXPORTS OF INDIAN MAN-MADE FIBRE TEXTILES DURING APRIL - JULY 2016-17

Exports of Indian MMF textiles during April-July 2016-17 were US\$ 1393.08 Million against US\$ 1602 Million during the same period of the previous year witnessing a decline of over 13% (SOURCE: Port Data)

Value in US\$ Mn

	April-July 2016-17	April-July 2015-16	Grw/decline (%)
Fabrics	572.75	654.12	-12.44
Yarn	369.80	433.26	-14.65
Made-ups	374.57	413.78	-9.48
Fibre	75.95	100.84	-24.68
<b>Total</b>	<b>1393.08</b>	<b>1602.00</b>	<b>-13.04</b>

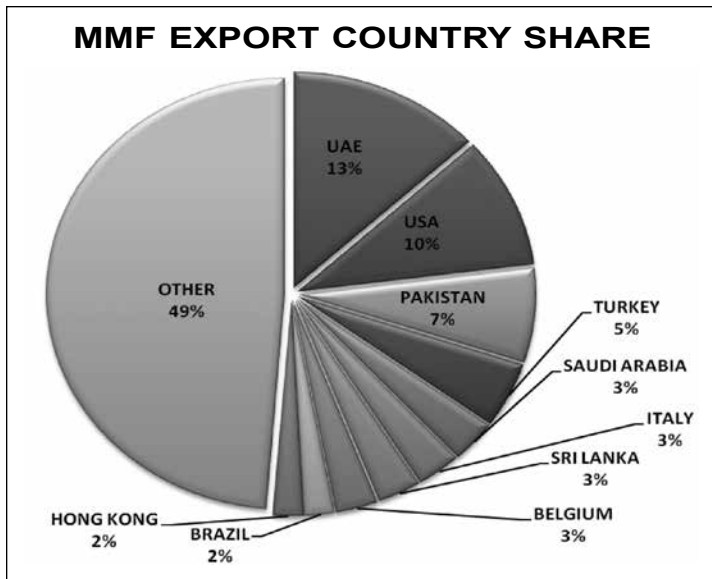


### HIGHLIGHTS

- Overall exports in April-July 2016-17 declined by 13.04% as compared to the same period of the previous year.
- Exports of Fabrics dominated with 41% share followed by Yarn 27%, 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 68% of total exports.
- However, all the four segments witnessed decline in export like fibre (-24.68%), yarn (14.65%), fabrics (-12.44%), and made-ups (-9.48%).
- In the fabrics segment Polyester Filament Fabrics (US\$ 170.99 Mn) remained the top exported product in India's MMF textile exports followed by Synthetic Filament Fabrics (US\$ 146.28 Mn) and Polyester Viscose Fabrics (US\$ 85.07 Mn) during April-July 2016-17.
- In case of MMF yarn exports, Polyester Filament Yarn was the leading item with exports worth US\$ 163.72 Mn followed by Polyester Spun Yarn (US\$ 40.67 Mn) and Polyester Viscose Yarn (US\$ 36.58 Mn).
- In Made-ups, exports of Bulk Containers was the leading item with exports worth US\$ 87.94 Mn followed by Muffler and Shawls/Scarves worth US\$ 53.72 Mn and US\$ 37.60 Mn respectively.
- Polyester Staple Fibre (US\$ 32.52 Mn) was the leading item in the MMF category followed by Viscose Staple Fibre (US\$ 30.15 Mn) and Acrylic Staple Fibre (US\$ 7.43 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 63.49% and 19.93%.
- UAE was the leading market for Indian MMF textiles during April-July 2016-17 with 13% share in total exports followed by USA 10% and Turkey 5%.
- Neighbouring country Pakistan has emerged as the 3rd largest market for India's MMF textile export with a share of 7% during April-July 2016-17.
- Leading markets with positive growth are Senegal (151.67%), China (71%), Germany (54%) and Korea, Rep (13%).
- Other major markets during April-July 2016-17 were Saudi Arabia, Sri Lanka, 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 672%.
- 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.



**MMF EXPORT COUNTRY SHARE**



**PRODUCT-WISE EXPORT PERFORMANCE  
APRIL-JULY 2016-17**

Value in USD Mn

Products	April-July 2016-17	April-July 2015-16	Net Change	% Change
<b>FABRICS (Woven+non-woven+knitted)</b>				
Polyester Filament	170.99	184.5	-13.51	-7.32
Synthetic Filament	146.28	172.89	-26.61	-15.39
Polyester Viscose	85.07	116.04	-30.97	-26.69
Polyester Blended	58.16	61.75	-3.59	-5.81
Synthetic Non Specified	35.08	33.01	2.07	6.27
Synthetic Cotton	13.48	14.68	-1.2	-8.17
Polyester Wool	13.11	13.97	-0.86	-6.16
Polyester Cotton	12.55	12.6	-0.05	-0.40
Polyester Spun	10.77	8.98	1.79	19.93
Viscose Spun	4.97	3.04	1.93	63.49
Nylon Filament	4.62	6.1	-1.48	-24.26
Other Fabrics	17.68	26.55	-8.87	-33.41
<b>Total Fabrics</b>	<b>572.76</b>	<b>654.11</b>	<b>-81.35</b>	<b>-12.44</b>
<b>YARN</b>				
Polyester Filament	163.72	242.81	-79.09	-32.57
Polyester Spun	40.67	29.35	11.32	38.57
Polyester Viscose	36.58	29.65	6.93	23.37
Viscose Spun	35.62	21.15	14.47	68.42
Polyester Cotton	34.13	43.26	-9.13	-21.10
Viscose Filament	16.41	17.58	-1.17	-6.66
Acrylic Spun	12.75	11.59	1.16	10.01

Products	April-July 2016-17	April-July 2015-16	Net Change	% Change
Synthetic Spun	7.67	10.56	-2.89	-27.37
Polyester Wool	7.38	7.2	0.18	2.50
Artificial Spun	3.32	2.93	0.39	13.31
Synthetic Non Specified	2.52	4.73	-2.21	-46.72
Other Yarn	9	12.38	-3.38	-27.30
<b>Total Yarn</b>	<b>369.77</b>	<b>433.21</b>	<b>-63.42</b>	<b>-14.64</b>
<b>MADE-UPS</b>				
Bulk Containers	87.94	106.82	4.92	-17.67
Muffler	53.72	86.92	-2.79	-38.20
Shawls/Scarves	37.6	40.59	-4.35	-7.37
Motifs	28.52	23.6	1.03	20.85
Fishing Net	12.52	15.31	0.73	-18.22
Blanket	8.83	13.18	-0.86	-33.00
Bed Linen	7.89	6.86	-1.4	15.01
Bedsheet	6.99	6.26	0.49	11.66
Rope	5.22	6.08	-2.74	-14.14
Dress Material	4.5	5.9	-0.95	-23.73
Dish-cloths/Dusters	4.15	3.66	0.75	13.39
Sacks and Bags	3.39	6.13	-0.08	-44.70
Braids	3.38	4.33	21.1	-21.94
Tulles	3.17	2.42	0.13	30.99
Curtains	2.78	2.86	0.39	-2.80
Other Made-ups	103.98	82.88	-0.01	25.46
<b>Total Made-ups</b>	<b>374.58</b>	<b>413.8</b>	<b>-39.22</b>	<b>-9.48</b>
<b>FIBRE</b>				
Polyester Staple	32.52	41.67	-9.15	-21.96
Viscose Staple	30.15	41.4	-11.25	-27.17
Acrylic Staple	7.43	11.4	-3.97	-34.82
Other Fibre	5.83	6.37	-0.54	-8.48
<b>Total Fibre</b>	<b>75.90</b>	<b>100.74</b>	<b>-24.91</b>	<b>-24.68</b>

\* 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-July 2016-17	April-July 2015-16	Net Change	%Grw/ Decline
1	UAE	183.24	249.82	-66.58	-26.65
2	USA	136.85	187.56	-50.71	-27.04





Sr. No.	Country	April-July 2016-17	April-July 2015-16	Net Change	%Grw/Decline
3	PAKISTAN	99.03	130.12	-31.09	-23.89
4	TURKEY	68.45	64.37	4.08	6.34
5	SAUDI ARABIA	44.25	46.88	-2.63	-5.61
6	ITALY	42.84	45.64	-2.8	-6.13
7	SRI LANKA	41.51	45.92	-4.41	-9.60
8	BELGIUM	40.08	40.5	-0.42	-1.04
9	BRAZIL	29.1	34.87	-5.77	-16.55
10	HONG KONG	28.22	24.67	3.55	14.39
11	NETHERLANDS	27.71	29.47	-1.76	-5.97
12	GERMANY	27.17	17.6	9.57	54.38
13	EGYPT	26.84	30.66	-3.82	-12.46
14	SPAIN	24.39	30.5	-6.11	-20.03
15	KOREA, DEM	23.72	22.08	1.64	7.43
16	FRANCE	17.29	20.05	-2.76	-13.77
17	CHINA	16.98	9.95	7.03	70.65
18	SENEGAL	16.56	6.58	9.98	151.67
19	VIETNAM, DEM	15.09	19.18	-4.09	-21.32
20	KOREA, REP	14.32	12.71	1.61	12.67

## MAJOR MARKETS FOR MMF FABRICS

Value in USD Mn

Country	April-July 2016-17	April-July 2015-16	Net Change	%Grw/Decline
UAE	123.34	164.02	-40.68	-24.80
USA	54.70	85.91	-31.21	-36.33
PAKISTAN	42.08	39.31	2.77	7.05
TURKEY	31.88	37.07	-5.19	-14.00
SAUDI ARABIA	22.45	20.74	1.71	8.24
SRI LANKA	19.60	22.75	-3.15	-13.85
VIETNAM, DEM	13.02	15.85	-2.83	-17.85
SPAIN	11.70	13.23	-1.53	-11.56
COTE D IVOIRE	11.56	7.98	3.58	44.86
EGYPT	11.36	14.91	-3.55	-23.81
ITALY	10.34	11.78	-1.44	-12.22
KOREA, DEM	9.45	9.64	-0.19	-1.97
SENEGAL	9.14	5.63	3.51	62.34
CHINA	8.31	2.03	6.28	309.36

## MAJOR MARKETS FOR MMF YARN

Value in USD Mn

Country	April-July 2016-17	April-July 2015-16	Net Change	%Grw/Decline
TURKEY	63.47	55.37	8.10	12.76
USA	27.84	67.50	-39.66	-142.46
BRAZIL	26.41	30.93	-4.52	-17.11
PAKISTAN	19.47	16.39	3.08	15.82
BELGIUM	18.10	16.80	1.30	7.18
EGYPT	13.82	12.91	0.91	6.58
COSTA RICA	11.16	8.02	3.14	28.14
MOLDOVA, REP	9.19	7.71	1.48	16.10
KOREA, REP	9.18	10.82	-1.64	-17.86
KOREA, DEM	8.54	9.46	-0.92	-10.77
GUADELOUPE	7.16	9.44	-2.28	-31.84
NETHERLANDS	6.74	8.85	-2.11	-31.31
SRI LANKA	5.96	5.81	0.15	2.52
PERU	5.64	10.10	-4.46	-79.08
ARGENTINA	5.12	3.42	1.70	33.20
SAUDI ARABIA	5.10	7.21	-2.11	-41.37
JAPAN	4.87	5.11	-0.24	-4.93
PANAMA	4.86	5.67	-0.81	-16.67
ITALY	4.39	6.66	-2.27	-51.71
UAE	4.14	8.65	-4.51	-108.94

## MAJOR MARKETS FOR MMF MADE-UPS

Value in USD Mn

Country	April-July 2016-17	April-July 2015-16	Net Change	%Grw/Decline
USA	61.28	69.88	-8.60	-12.31
SAUDI ARABIA	54.20	78.01	-23.81	-30.52
ITALY	24.95	23.82	1.13	4.74
UAE	19.08	14.03	5.05	35.99
GERMANY	18.66	10.17	8.49	83.48
NETHERLANDS	14.22	13.84	0.38	2.75
SPAIN	11.52	15.57	-4.05	-26.01
CROATIA	10.74	13.07	-2.33	-17.83
FRANCE	10.01	12.51	-2.50	-19.98
BELGIUM	8.71	10.46	-1.75	-16.73
SENEGAL	7.41	0.96	6.45	671.88
BENIN	6.01	11.83	-5.82	-49.20



**'SOURCE INDIA' – A GRAND SUCCESS**

(Continued from Page 2)

**BUYERS REACTION:**

Around 100 invited Foreign Buyers representing 31 countries from Asia, Middle East & Gulf, Africa, South America, Europe, and Australia were present at the occasion. The overseas Buyers were impressed with the array of products on display at the Event.

*"The Exhibition put on by SRTEPC was an invaluable experience for our company. Our objective was to broaden out contacts in the apparel field with leading manufacturers in India and to connect with larger retail and whole companies in Australia and New Zealand. As a sourcing business, it is imperative that we empower our company with leading manufacturers whom we have had direct meeting to understand their products, manufacturing and business dealings. We feel, we were successful in that objective. We look forward to exploring many more opportunities here in coming weeks and months to process business orders, and to work with through our Indian office in New Delhi to assist....."*

**Said Mr. Belinda Coyle, Agile Sourcing, Australia.**

*"... It was both enjoyable and informative. Exhibitors' insightful presentation contains innovative ideas that we are currently considering for the demand of our new season. Thank you for your time to meet with us and fill the gap regarding the business opportunities between Vietnam & India. We hope to continue with this opportunity as well as products that can be of great value in our business chain. Our coalition would greatly appreciate your support. On behalf of all members from SON KIM FASHION & QUADRILLE & VERA INTERNATIONAL LTD, we want to thank you for taking time out of your busy schedules to support this important matter...."*

**Said Mr. Hong Nguyen, IBD, Quadrille & Vera Int.Ltd.Co.**

*"My visit to SOURCE INDIA was very useful and successful. I met very supportive and co-operative weavers at the Exhibition, who complimented the Micro Finance Project for widows of Iraq. At the same time, they have assured full support to the Trust. I am pleased to inform you that I stayed back after the Exhibition. Visited one weaver and signed the first of many contracts. I assure you in the coming months, more contracts would be signed, as I have found fabrics of high quality and support of the weavers too....."*

**Said Mr. A.G. Karim, Founder / Chairman of The Lady Fatemah (a.s.) Charitable Trust, London, UK.**

*"Visiting 'SOURCE INDIA 2016' was a great opportunity to expand our company-boundaries. Having soon many*

*suppliers in one single place was the perfect situation to enhance and develop our future business negotiations.... I am glad that I've visited SOURCE INDIA, as I could learn and appreciate another culture and see how cordially, hospitality and kindness are values, which I could highly feel while meeting the stalls, I visited during the Fair. Despite it was a 26 hour trip coming from Ecuador, it worth every minute, I spent in India...."*

**Said Mr. Carlos Xavier Nicolalde Lopez, Nilotex SCC, Ecuador.**

**PARTICIPANTS RESPONSE:**

Most of the Exhibitors were satisfied with the quality of both International and Indian Buyers. Accordingly, we have received the following views from some of them :

*"SRTEPC, through 'SOURCE INDIA', has created the right focus that India is a great center for Man-Made Fibres. We had specific fabrics innovation in Birla Modal blends with various Man-made filament yarns. It was an encouraging response at Surat, which has been an 'Innovation Hub' for our 'Liva Brand' too....."*

**Said Mr. Manohar Samuel, President (Marketing & Business Development), Birla Cellulose, Grasim Industries Ltd.**

*"I take this opportunity to congratulate SRTEPC for the grand success of Source India 2016. It was really a great show of international standards. We had been associated with SRTEPC since 1990 and had participated in numerous exhibitions organized by the SRTEPC but had never come across such a great show with such a good no of international buyers as according to us this was the first show by SRTEPC with such a great magnitude...."*

**Said Mr. Shiv Narain Aggarwal, Partner of M/s. Prafful Exports.**

*"It was a good Show, in terms of getting known new customers & new markets, which are untapped at the moment for us. .. We got some valuable enquiries from Iran, Vietnam Ecuador, Colombia, Egypt, Nepal & Algeria .. we expect to have business co-operation with some of the Buyers in next 2-3 months time....."*

**Said Mr. R.R. Kankani, Joint Executive President of Birla Home Décor, Sutlej Textiles & Industries Limited.**

*"We are extremely happy with the overwhelming response at Exhibition..... Arrangements were very nice and we had all the importers extremely happy seeing the arrangement. The importer, who came at the exhibition were genuine and had genuine demand and we got mails and calls from the importers with whom we had already started talking with. The speakers at Exhibition were very informative and had good grip over the subject and had huge learning in it...."*

**Said Mr. Ravindra Kumar Jain of M/s. Oswal Prints Pvt.Ltd.**



*"It was a great experience to understand the requirement of foreign buyers from various countries. It was overall a great platform, where buyers and suppliers can meet, and discuss business opportunities, they have to offer. We look forward to other exhibitions being conducted by SRTEPC in India and other countries....."* **Said Mr. Vaibhav Agarwal of Rachit Group.**

*"SOURCE INDIA at Surat was a great Event for Synthetic Textile Industry with good International exposure. The format was "Pro Business". It needs to be made an Annual Event....."* **Said Mr. Girish Luthra, MD of M/s. Luthra Dyeing & Printing Ltd.**

Many participating companies were successful in establishing business deals with the Foreign buyers. Some of them have also confirmed on-the-spot business orders as well as future negotiations, which are in progress.

#### **MEMORANDUM OF UNDERSTANDING (MOU) :**

On the occasion of "SOURCE INDIA", The Synthetic & Rayon Textile Export Promotion Council (SRTEPC) and Kabul Chamber of Commerce & Industry (KCCI) have signed a Memorandum of Understanding (MOU). The signing was the first step towards developing a good trading relationship between SRTEPC and KCCI for further expansion of trade of MMF Textiles between the two countries. The MOU was signed by Shri. Anil Rajvanshi, Chairman, SRTEPC, while Mr. Abdul Hassib Rahimi, Executive Director of Kabul Chamber of Commerce & Industry represented the KCCI. The Event was graced by the Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani.

Afghanistan is a fast emerging market of textiles and currently Indian exporters have negligible direct trade of textiles with Afghanistan, which they sell to this market through third countries like Dubai, Karachi and Bangladesh. India is also looking at multiple export markets to reach Afghanistan. The reason being Afghanistan does not have textile manufacturing centres, it depends on sourcing the requirements of fabrics from outside sources.

#### **FASHION SHOWS:**

The Fashion Shows staged during both the days of the mega Event under the aegis of Source India 2016 were the 'show stopper' of the evening, which were put in place by the Council through M/s.EDN Entertainment Pvt.Ltd. Mumbai. The 10 companies, which sponsored the Fashion Shows include High Choice, Reliance, Prafful, Divyam, Century Enka, Banswara Syntex, Wellknown Polyester, F-Vogue, Suneja Fashions, and Aditya Birla.

10 ensembles of 8 garments each were presented by 16 Models – showcasing the fabrics, colours, textures of each sponsors. The concepts, designs, styling, themes were put in place by Team NIFT, led by Mr.Vishal Gupta, and Ms.Panchami Mistry, Senior Professors & Designers. The Fashion Shows organized by the Council left the audience spell bound and asking for more.

#### **THEME PAVILION :**

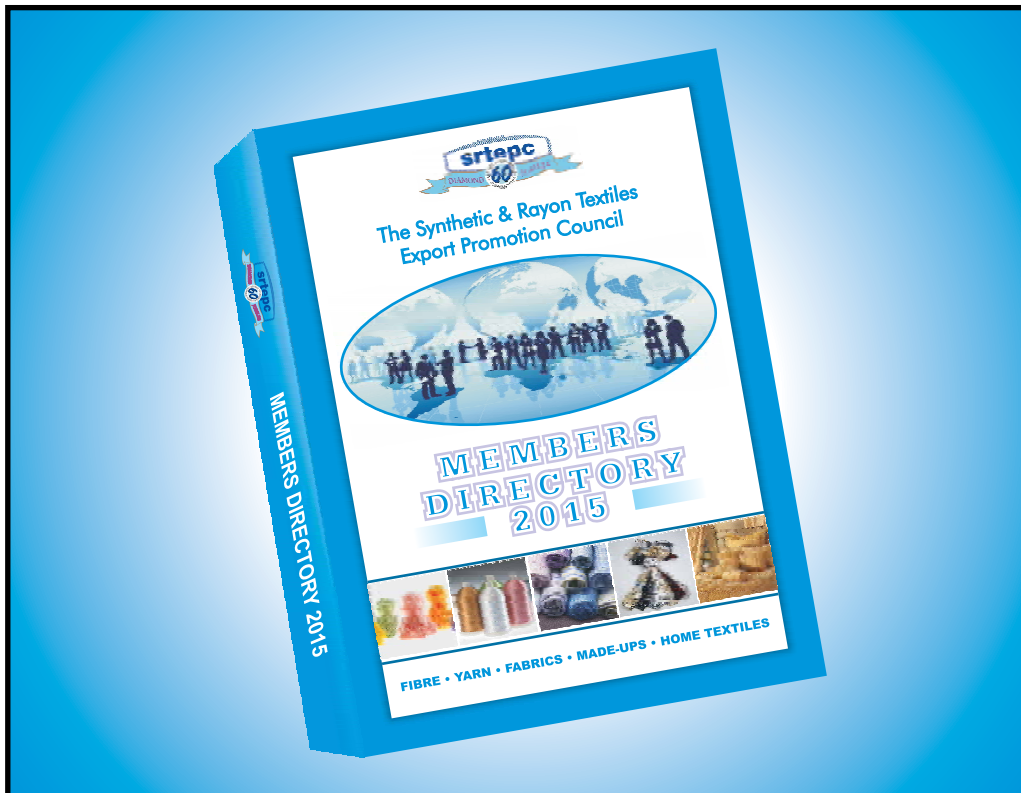
A Theme Pavilion, an exquisite structure, organized by the Council showcased the trends and Fashion Forecast for Autumn-Winter 2017 and Spring-Summer 2018 along with the display of fabrics and garments that corresponded to these Themes. The purpose of the 'Theme Pavilion' was to ignite the idea of looking into the future by the Council's member-companies, so that they can prepare themselves to address the requirements of the Industry in the future.

#### **SEMINARS AND WORKSHOPS :**

Seminars and Workshop were also organized on "Impact of Trade Remedy Measures and FTA's on Textiles", "Workshop on Trend Forecasting" and "Doing Business with Vietnam" on the sidelines of "SOURCE INDIA", whereby Industry Experts like Shri. A.K.Gupta, MD, TPM Consultant Pvt.Ltd., Shri. Mukesh Bhatnagar, Professor, Centre for WTO Studies, IIFT, and Mr.Sait Akgun, Former head of Anti Dumping, Turkey and Consultant WTO alongwith Shri. M.L Jhunjhunwala, Chairman of BTRA, Shri. Rajeev Gopal, COO, Grasim Industries Ltd., Shri. Dhiraj Shah of M/s.Shailan industries Shri. Sanjeev Saran, Past Chairman, SRTEPC, Shri. Girish Luthra, Managing Director, Luthra Dyeing & Printing Mills and Shri. Vinod Kumar Ladia, Past Chairman & Convenor (Source India) had exchanged their valuable knowledge & experience. Many foreign Buyers, besides numerous participants attended the Seminars and Workshop to gain knowledge from the prominent speakers.

The Event showcased the latest range to world-class Man-made textiles products from India. Over 100 players from the MMF Textiles Industry displayed a wide range of products range including basic and fancy yarns, apparel fabrics like suitings, shirtings, and dress materials; trimmings, embellishments like laces, embroideries and appliqué; fashion accessories like stoles, scarves, shawls; home textiles like furnishing fabrics, cushion covers, bed covers, table and kitchen linen, and so on; and a range of technical textiles for high performance clothing, industrial and specialized applications where India has just started stepping 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 complete details of manufacturers/exporters of MMF textiles and blended textile items including Fibre, Yarn, Fabrics, Made-ups, Home textiles, 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 Directory is as follows:

Printed Copy – Rs.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](mailto:anand@srtepc.in)

Ms. Barbara Mendes, Sr. Executive, E mail: [barbaram@srtepc.in](mailto:barbaram@srtepc.in), [srtepc@srtepc.in](mailto:srtepc@srtepc.in)



The Synthetic & Rayon Textiles  
Export Promotion Council

Your link to Overseas Buyers of Synthetic & Rayon Textiles

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