TEXTILE INTELLIGENCE CENTRE
iBtex.
INFORMATION BUREAU TEXPROCIL

TEXPROCIL NEWS CLIPPINGS

The Cotton Textiles Export Promotion Council [TEXPROCIL]
Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai - 400 004. Maharashtra State. INDIA
W. www.texprocil.org E. enews@texprocil.org T. +91-22-2363 2910 to 12 F. +91-22-2363 2914

IBTEX No. 236 of 2017 November 27, 2017

USD 64.78 | EUR 77.19 | GBP 86.21 | JPY 0.58

Cotton Market

Spot Price (Ex. Gin), 28.50-29 mm		
Rs./Bale	**Rs./Candy**	**USD Cent/lb**
17688	37000	**72.89**
Domestic Futures Price (Ex. Gin), November		
Rs./Bale	**Rs./Candy**	**USD Cent/lb**
18380	38447	**75.94**

International Futures Price

NY ICE USD Cents/lb (Dec 2017)	70.74
ZCE Cotton: Yuan/MT (Jan 2018)	14,915
ZCE Cotton: USD Cents/lb	**86.99**
Cotlook A Index – Physical	**81.6**

Cotton & currency guide: Cotton futures settled higher for the 5th consecutive week in the first three months. March settled at 7193 cents/lb, up 258 points for the week; and up 516 points in 5 weeks. December settled at 7223 cents/lb, up 249 points for the week; and up 535 points in 5 weeks.

Robust cash sales have probably supported the price trend; with the firm base, speculative positions have been suspected as the main buyers in the market.

Further during the week USDA's weekly export sale report was another outstanding sales report. Total sales for the week ended November 16th were 417,500 bales (upland 400,100; Pima 17,500). That followed last week's sales of 525,000 bales (upland 524,800/pima 200). Total 2017-18 sales are 2.76 million bales ahead of last year. Weekly shipments were 97,100 bales (upland 85,600/pima 11,500); bringing total shipments to 2,153,600 bales (upland 2,077,500/pima 76,100). Shipments are 458,600 bales behind last year.

On the technical front, the outlooks continue to be positive. Almost all the short term moving averages are indicating positive in the market. Since market for March is trading comfortably above 70 cents and holding near 72 cents believe the trend may remain positive. Further on clear break above 72+ cents the market may approach heading towards 74 cents. However, on the only issue is market is near overbought in the daily chart nonetheless as long as it holds above 70 cents market may remain positive.

This morning March is trading at 71.58 cents down by half per cent from the previous week's close. It's the time that would consume for cotton to trade comfortably above 72 cents. The trading range for the short term would be 70 to 72 cents and break above 72 may shift the base to 72 to 74 ranges.

On the domestic front in India the scenario is not so impressive. As earlier projected the crop number would be very high now seems a question mark? In November Cotton Association of India (CAI) has projected 2017-18 production to be pegged around 38 million bales now looks less likely. The major concern now is the pink bollworm effect on the Maharastra crop. There is talk that more than 30% of crop in the state could be damaged. The next year sowing acreage may be also affected. Also the average arrivals that supposed to be more than 200,000 bales a day by this time of the season is only limited to 160-170K bales a day is another concern for the supply pipeline. The spot prices of Shankar-6 have increased to an average price of Rs. 38000 per candy ex-gin. Quotes for new crop Punjab J-34 remain steady at Rs. 3,875 per maund (about 72.75 cents per lb).

On futures front the week gone by was bit shaky. The November future made a weekly close at of Rs. 1480 up by Rs. 30 from previous close while it had made both high and low of Rs. 18660 and Rs. 18300 per bale. For the day we expect cotton to trade in the range of Rs. 18340 to Rs. 18580 per bale for November future at MCX.

Compiled By Kotak Commodities Research Desk , contact us : mailto:research@kotakcommodities.com, Source: Reuters, MCX, Market source

NEWS CLIPPINGS

	INTERNATIONAL NEWS
No	**Topics**
1	China to cut import duty on 187 items, including apparel
2	Colombiatex de las Américas to begin on January 23
3	Bangladesh agrees to EU conditions for trade benefits
4	Marks & Spencer to raise Bangladesh apparel import to $1.0 billion
5	Why 'Made in America' Is Stitched Into the Law, but Not the Uniforms
6	India, Vietnam textiles eye cooperation
	NATIONAL NEWS
1	Government announces measures to boost exports of textiles and apparel sector
2	Textile industry welcome MEIS rate increase
3	Govt doles out higher incentives for garments, made-up exports
4	Narendra Modi government notifies post GST rates to boost exports, employment generation in textiles and apparel sector
5	Sops lower than pre-GST ones: Textile sector
6	Remission in levies notified for textiles, apparel post-GST
7	India's cotton exports to drop sharply
8	WTO outcome will not go against our interests: Prabhu
9	GST rollout: Centre will look into your concerns, says FM Arun Jaitley to textile traders
10	Traders Say Delay of Billions in Tax Refunds Slows India Exports
11	Low yield, prices hit Haryana cotton farmers
12	Govt. will place order only if powerlooms are upgraded
13	Silence of the looms
14	Dumping duty on caustic soda imports extended by one year

INTERNATIONAL NEWS

China to cut import duty on 187 items, including apparel

China will cut import tariffs on 187 items, including food, pharmaceuticals, garments and recreational products, from December 1 to lower costs and stimulate domestic consumer spending.

After the cut, tariffs on the products, which include cashmere clothing, will average 7.7 per cent, down from the current 17.3 per cent, according to the finance ministry.

High taxes on imports have raised prices of foreign brands in China pushing consumers to spend more overseas.

As people's consumption demands rise, the tax cuts will benefit the choices available to consumers inside China and help upgrade the domestic supply system, Chinese media reports said quoting a ministry statement.

Source: fibre2fashion.com - Nov 25, 2017

HOME

****

Colombiatex de las Américas to begin on January 23

The Colombiatex de las Américas, the most important trade showcase of the textile-garment sector, in Latin America will begin on January 23, 2018 in Mendellin, Colombia, with the theme 'Open Your Eyes'. It will be a three-day affair. More than 550 national and global exhibitors and nearly 15,800 buyers are expected to open the business agenda at the event.

The 30th edition of the show will be a stage to link supply and demand chains of the textile-garment sector. It will offer places for interaction, business, fashion, and knowledge.

Brazil has been invited as the guest country of the event to empower the fashion system, get acquainted with the Colombian offer, and generate new opportunities.

The event will have a Graphic Market, where the artistic talent of graphic designers will be highlighted. This innovative place will seek the best proposals of 60 designers who may apply through an open invitation led by Inexmoda.

Techno Space, a stage dedicated to demonstrate technology and the latest developments in textiles and machinery, will also be a part of this show. It is meant for the visitors who want to seek prospective innovation throughout the sector.

Visitors will get a chance to discover the 'Trends Forum', a place that will serve as a roadmap for buyers at the event. It will display various supplies and textiles to set the Spring-Summer 2018 trends, and will facilitate the journey through commercial showcase. Also, Inexmoda's Fashion Lab and allied companies will share informative lectures, conferences and practical workshops on textile concepts of the season in order to share knowledge with the visitors.

To honour 'denim' and its various innovations, the organisers will celebrate 'Denim's Day' on the second day of the event. They have invited Colombians to visit the fair wearing their best denim look.

Source: fibre2fashion.com - Nov 26, 2017

HOME

****

Bangladesh agrees to EU conditions for trade benefits

Bangladesh has decided to amend its labour law and the Bangladesh Export Processing Zones Authority (BEPZA) law to comply with the European Union (EU) recommendations. The decision was announced by law minister Annisul Huq after a recent meeting of stakeholders and will be conveyed to the prime minister and the International Labour Organisation (ILO).

The amended laws will be introduced in parliament this winter, Huq said. Commerce minister Tofail Ahmed, junior minister for labour and employment Mujibul Haque, representatives of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Knitwear

Manufacturers and Exporters Association (BKMEA) were present in the meeting, according to media reports in the country.

The EU had earlier called on Bangladesh to show tangible progress on labour rights to avoid temporarily losing the generalised system of preferences (GSP) benefit that allows the country duty-free export to the 28-nation economic bloc.

Bangladesh exported goods worth $18.68 billion to the EU in fiscal 2015-16, which was 54.57 per cent of the total receipts for the year

Source: fibre2fashion.com- Nov 26, 2017

HOME

****

Marks & Spencer to raise Bangladesh apparel import to $1.0 billion

Marks and Spencer (M&S) is set to enhance sourcing of apparel from Bangladesh. The brand which has doubled its sourcing from Bangladesh in the last two years is planning to raise it imports further to $1.0 billion as against the existing $800 million.

M&S Chief Executive Officer, Steve Rowe speaking says, “Bangladesh continues to progress and its facilities, skills and the development we discussed today in terms of infrastructure, there are further opportunities to grow our business here."

He held a meeting with leaders of Bangladesh Garment Manufacturers and Exporters Association (BGMEA). The M&S delegation also included its Chairman Archie Norman, Managing Director Jill Mcdonald, Director of Sourcing Mark Lindsey and Country Manager Shwapna Bhowmick. President of the BGMEA Md Siddiqur Rahman, Vice President Mohammed Nasir, the Federation of Bangladesh Chambers of Commerce and Industry President Shafiul Islam Mohiuddin, among others, were also present at the meeting.

Rowe said infrastructure was the challenge that needed to be addressed in Bangladesh.

The BGMEA President said they have explained the government's recent measures taken to address all issues and was confident in the next couple of years the existing situation would improve. M&S country manager said currently, the company is sourcing from around 79 factories and aim to raise their import to $1.0 billion of value-added apparel items.

Source: fashionatingworld.com- Nov 25, 2017

HOME

****

Why ‘Made in America’ Is Stitched Into the Law, but Not the Uniforms

President Trump’s push to “buy American” has been a key initiative of his administration, and Mr. Trump speaks frequently about ensuring that the federal government is buying American products.

So it might come as a surprise that the uniforms of those Secret Service agents that protect and surround him every day are probably made outside the United States, most likely in Mexico.

The United States government has several laws on the books that require the military and other national security agencies to buy from American sources, when possible. But a new report from the Government Accountability Office shows how a primary rule covering the Department of Homeland Security, called the Kissell Amendment, has been undercut by a slew of bureaucratic restrictions and obligations required by international trade agreements.

As a result, over roughly the past three years, more Secret Service uniforms have been made in Mexico than in any other country — including the United States. The same goes for uniforms procured for Transportation Security Administration workers. The majority of uniforms for Customs and Border Protection and Immigration and Customs Enforcement agents are also made outside the United States, in countries like El Salvador, Honduras, Mexico and Cambodia.

“It really doesn’t have much impact at all,” Kimberly Gianopoulos, the director of the Government Accountability Office’s international affairs and trade team, said of the Kissell Amendment.

The findings illustrate the difficulties of trying to bend trade rules to benefit domestic industries in a global economy where layers of international agreements can thwart those efforts.

Many of the free trade agreements the United States entered into to gain access to markets abroad also prevent governments from discriminating against foreign products. And the global nature of supply chains also makes it difficult to find affordable products manufactured solely within the United States, since a product's components can cross borders multiple times before completion.

According to the report, Homeland Security officials said that they probably could source most of their items from the United States, but that cutting out foreign countries could add 50 to 150 percent to the purchase price — an extra expense taxpayers may not want to bear.

Channeling more business to domestic companies is a primary economic goal of the Trump administration. Yet while made-in-America provisions often garner political points, they can be hard to implement.

In April, the president signed the "Buy American and Hire American" executive order, which directed federal agencies to review whether they are complying with "buy American" regulations and submit a report on current policies within 220 days. The deadline for that report was Friday.

The Trump administration is also pushing for stricter rules surrounding government contracts in its renegotiation of the North American Free Trade Agreement with Canada and Mexico.

The United States contends that the current agreement, which gives the three countries relatively unfettered access to government contracts among the nations, is unfair because the United States government spends far more than its neighbors to the north and south. Another Government Accountability Office report this year showed that the United States has offered foreign companies more government contracts than it has received from other World Trade Organization members.

The United States has proposed limiting the access Canadian and Mexican companies have to federal contracts under Nafta.

Nafta partners have protested the proposal, with Canadian officials arguing that it would give Canada and Mexico less access to United States government procurement than much smaller nations, like Bahrain.

At the fifth round of Nafta talks in Mexico City this past week, Mexican negotiators called for limiting the government contracts they offer to United States companies to the amount of government contracts that Mexican companies win in the United States. Because Mexican companies win few United States contracts, that would significantly restrict the goods and services American companies supply to the Mexican government.

Some economists and industry analysts question whether trade protections aimed at boosting American businesses, including tariffs on imported products, are effective in an age of global competition.

Matt Priest, the president of the Footwear Distributors and Retailers of America, said that relatively high trade barriers on imported footwear, like the tariffs charged on imports, have not saved his industry from offshoring. The United States "continues to charge these shoe taxes to protect an industry that isn't here, and consumers end up footing the bill," he said.

But Scott Paul, the president of the Alliance for American Manufacturing, said that even though protections for American manufacturing might increase costs, taxpayers are typically willing to bear that burden.

"There are a lot of places where we could substantially cut costs, but in a lot of cases when you cut costs, you're cutting jobs as well," Mr. Paul said. "These companies are the last stand for footwear and apparel jobs in the United States."

The Kissell Amendment, the focus of the Government Accountability Office report, was passed in 2009 to help a domestic textile industry that was reeling. For decades, clothing and textile manufacturing had been slowly moving offshore, to take advantage of lower labor costs in Central America and Asia. The financial crisis accelerated that shift, tipping many factories with razor-thin profit margins into bankruptcy.

American textile production plummeted to $46 billion in 2009 from $71 billion in 2006, according to the Government Accountability Office.

Between 2005 and 2016, the American apparel, leather and textile manufacturing industry lost a quarter of its workers.

Like a much older law, the Berry Amendment, which requires the Department of Defense to buy American food, clothing and other products, the Kissell Amendment tried to help domestic industry by directing the Department of Homeland Security to buy uniforms, body armor, tents and other fabric items from domestic sources.

But according to the report, the amendment did not have its intended effect.

Question why, and descend into a maze of bureaucracy. The policies have numerous exceptions, including for many of the 20 countries with which the United States has free trade agreements. The amendment itself places a floor on the dollar value of contracts, while a World Trade Organization agreement creates a ceiling — meaning the amendment applies to just a narrow slice of contracts, those valued between $150,000 and $191,000.

It is a vivid demonstration of why some in the Trump administration criticize trade pacts and the World Trade Organization for staying the hand of the United States government. Of course, the United States entered into these agreements willingly, often at the behest of American companies who were pushing for access to foreign markets.

In total, only about 42 percent of uniforms ordered by the Department of Homeland Security between October 2014 and June 2017 came from the United States, according to the report. About 30 percent came from Mexico, and an additional 16 percent came from Honduras and El Salvador.

Source: nytimes.vn- Nov 24, 2017

HOME

****

India, Vietnam textiles eye cooperation

There is a lot of potential for co-operation between Việt Nam and India in the textile and garment sector, a Việt Nam –India business meeting heard in HCM City on Thursday.

K Srikar Reddy, the Indian consul general in the city, said Việt Nam is among the top five textile and clothing exporting countries along with India.

But it has to import a lot of the raw materials, while "India's textile industry has developed a complete product supply chain and India is also one of the suppliers of high-quality materials and fabrics at competitive prices in the world."

Co-operation between the two countries would help Vietnamese enterprises diversify their raw material sources and sell high-quality products in the international market, he added.

Nguyễn Thị Tuyết Mai, deputy general secretary of the Việt Nam Textile and Garment Association, concurred with him, saying Việt Nam has a shortage of cotton, fabric and yarn while India has an abundant supply of these products, making them perfect partners.

The General Statistics Office estimates that Việt Nam spent US$18.5 billion to import cotton, un-spun fibre, fabric and auxiliary materials last year and around $15.5 billion in the first nine months of this year.

Việt Nam imported all is cotton needs, with the US and India being the largest suppliers, besides also importing fabric and yarn from India.

Shailesh Martis, Joint Director of the Cotton Textiles Export Promotion Council, said last year India was the sixth largest supplier of textiles to Việt Nam, but only accounted for a 1.83 per cent market share, while China and Korea, the largest suppliers, accounted for 65.4 per cent.

India's export of textiles to Việt Nam, especially fabrics, is very low but it is the second biggest supplier of cotton yarn after China, according to the director.

"Việt Nam has established itself as one of the leading garment makers to the world, not only to major markets like EU and the US but also to newly emerging large importers China and Korea."

India is the world's largest producer of jute and the second largest producer of cotton and silk, and accounts for 22 per cent the world's spindle capacity, he said.
"Việt Nam needs huge quantities of right-priced, quality woven and knitted fabrics to continue its growth momentum.

"India could be an economical source of quality yarns and fabrics to bridge the gap and make Việt Nam's garments even more competitive."

He also suggested ways to increase bilateral trade, including exchange of technical know-how, trade-related information and demand – supply trends for important product groups on a regular basis.

The event attracted nine Indian companies that export cotton, fancy yarns, viscose/blended yarns, fabrics, staple fibre and others, who are also participating in the Vietnam International Textile & Garment Industry Exhibition in HCM City from November 22 to 25, besides local firms.

Source: vietnamnews.vn- Nov 25, 2017

HOME

****

NATIONAL NEWS

Government announces measures to boost exports of textiles and apparel sector

Raises incentive rate for export of garment and made-ups

In order to support exports of readymade garments and made-ups, Government vide Notification No. 14/26/2010- IT dated 24 November 2017 has notified post-GST rates under the scheme for Remission of State Levies (RoSL) on exports of readymade garments, made-ups and under AA-RoSL for garments.

Post-GST rates of RoSL are upto a maximum of 1.70% for cotton garments, 1.25% for MMF, Silk and Woolen garments and 1.48% for apparel of blends.

Rates are upto a maximum of 2.20% for cotton made-ups, 1.40% for MMF and silk made-ups and 1.80% for made-ups of blends. For sacks and bags made of jute, the rate is 0.60%. The RoSL rate for garments under AA-AIR combination is 0.66%.

Notification of post-GST RoSL rates for rebate of state levies/taxes is in pursuance of the decision of Government of India to boost exports and employment generation in the labour intensive textiles and apparel sector.

The Notification is in supersession of Ministry of Textiles Notification No 14/26/2016-IT dated 28 September 2017. These rates shall be effective from 1 October 2017.

Further, DGFT has enhanced the rates under the Merchandise Exports from India Scheme (MEIS) from 2% to 4% on readymade garments and made ups w.e.f 1 November 2017 till 30 June 2018. These measures are expected to boost the exports of garments and made-ups from India.

Source: business-standard.com- Nov 25, 2017

HOME

****

Textile industry welcome MEIS rate increase

Tirupur Exporters' Association (TEA) today welcomed increase of the Merchandise Exports from India Scheme rates for Readymade garments and Madeup from two to four per cent for November 1 2017 to June 30 2018 period.

The announcement of MEIS increase is a relief to the ailing knitwear garment export sector, TEA President Raja Shanmugham said in a statement here

He thanked Finance Minister Arun Jaitley, Textile Minister Smriti Irani and Commerce and Industry minister Suresh Prabhu "for crucial support at this hour of crisis."

He also made a request to incorporate the embedded tax and announce the revised Rebate on State Levies and Duty Drawback rates as these were desperately needed to bring back exports' growth and boost confidence of garment exporters to take fresh orders and sustain themselves in global business.

In another statement, Southern India Mills' Association Chairman P Nataraj also welcomed the announcement, which, he said, has given some relief to the industry.

The government today announced post-GST rates for claiming rebate of state taxes under the scheme for Remission of State Levies (RoSL) on exports of readymade garments and made-ups, in a bid to support outward shipments.

The government has also doubled the rates for incentives under an export promotion scheme -- MEIS -- to four per cent for readymade garments and made-ups.

Source: business-standard.com- Nov 25, 2017

HOME

****

Govt doles out higher incentives for garments, made-up exports

The government doubled the incentive for exporters of garments and made-ups under the Merchandise Export from India Scheme (MEIS) to support declining textile exports.

Under the programme, exporters are given duty exemption scrips that are pegged at a certain percentage of total value of their exports. These scrips can be used to pay duties on inputs including customs. Incentive rates for the two sectors have been enhanced to 4% of value of exports from 2% with effect from November 1to June 30, 2018.

"The estimated annual incentives will be Rs 1,143.15 crore for 2017-18 and.`685.89 crore for 2018-19," the commerce ministry said in a statement.

"This measure will incentivise the exports of labour intensive sectors of readymade garments and made ups and contribute to employ."

The measure comes amid a sharp fall in the export of labour-intensive sectors such as textiles, leather, gems and jewellery, handicrafts, readymade garments and carpets among others.

India's exports declined 1.12% in October to $23 billion with most traditional exporting sectors contributing to the fall. Garment exports from India fell 39.2% in October to $829.4 million following the rollout of the goods and services tax (GST) on July 1.

The made-ups sector, which includes products such as towels and bedsheets, is the second-largest employer in the textile sector after apparel. The cabinet last year approved a set of reforms including simplified labour laws and technology upgradation for the sector besides a Rs 6,000 crore package for employment generation and promotion of textile exports.

Federation of Indian Export Organisations president Ganesh Kumar Gupta asked commerce minister Suresh Prabhu to extend the MEIS benefits to other export sectors as well on Friday.

The textile industry said the move would only offer interim relief.

"We need and expect much more relief because after GST, our incentives have declined," said Sanjay Jain, chairman, Confederation of Indian Textile Industry (CITI).

In the pre-GST regime, cotton garments enjoyed a 12% incentive on duty drawback and rebate on certain state levies known as Remission of State Levies (ROSL). But this has been slashed to 2% on duty drawback and 0.39% on ROSL.

Apart from GST, Indian textile exports have lost out to other developing and least developed countries like Bangladesh and Pakistan which enjoy special duty benefits on shipments to the European Union.

Source: economictimes.com- Nov 25, 2017

HOME

****

Narendra Modi government notifies post GST rates to boost exports, employment generation in textiles and apparel sector

In a major development, PM Narendra Modi led Central government has notified the post-GST rates to boost exports and employment generation in the labour intensive textiles and apparel sector. According to an official release by Ministry of Textiles,

“In order to support exports of readymade garments and made-ups, Government vide Notification No. 14/26/2010- IT dated 24th November 2017 has notified post-GST rates under the scheme for Remission of State Levies (RoSL) on exports of readymade garments, made-ups and under AA-RoSL for garments.”

The release explains the respective rates too. “Post-GST rates of RoSL are upto a maximum of 1.70% for cotton garments, 1.25% for MMF, Silk and

Woolen garments and 1.48% for apparel of blends. Rates are upto a maximum of 2.20% for cotton made-ups, 1.40% for MMF and silk made-ups and 1.80% for made-ups of blends. For sacks and bags made of jute, the rate is 0.60%. The RoSL rate for garments under AA-AIR combination is 0.66%," the Press Information Bureau release added.

The release further adds, "Notification of post-GST RoSL rates for rebate of state levies/taxes is in pursuance of the decision of Government of India to boost exports and employment generation in the labour intensive textiles and apparel sector. The Notification is in supersession of Ministry of Textiles Notification No 14/26/2016-IT dated 28.9.2017.'

'Post-GST rates of RoSL will be effective from 1 Oct 2017'

"These rates shall be effective from 01.10.2017. Further, DGFT has enhanced the rates under the Merchandise Exports from India Scheme (MEIS) from 2% to 4% on readymade garments and made ups w.e.f 1st November 2017 till 30th June 2018.

These measures are expected to boost the exports of garments and made-ups from India," adds the PIB release.

Earlier, in the biggest GST rejig yet, tax rates on over 200 items, ranging from chewing gum to chocolates to beauty products, wigs and wrist watches, were cut to provide relief to consumers and businesses amid economic slowdown. As many as 178 items of daily use were shifted from the top tax bracket of 28 per cent to 18 per cent, while a uniform 5 per cent tax was prescribed for all restaurants, both air- conditioned and non-AC, Finance Minister Arun Jaitley said after the GST Council meeting in Guwahati.

Source: financialexpress.com- Nov 26, 2017

HOME

****

Sops lower than pre-GST ones: Textile sector

Despite the central government enhancing the Merchandise Exports from India Scheme (MEIS) and Remission of State Levies (RoSL) for the textile sector, the latter is critical.

The country's second-largest job generator says the incentives are still less than the pre-goods and services tax (GST) era.

SHORTFALL

Comparison of incentives

Particulars	Pre-GST (%)	Post-GST (%)
Duty drawback		
(Excise)	5.7	0.0
(Customs)	2.0	2.0
ROSL	3.5	1.7
Service Tax	0.2	0.0
Input tax credit	0.0	3.0
MIES	2.0	4.0
Total	13.4	10.7
Net difference		2.7

In a notification on Saturday evening, the Centre said the post-GST rates of RoSL were up to a maximum of 1.7 per cent for cotton garments, 1.25 per cent for manmade fibre (MMF), silk and woollen garments and 1.48 per cent for apparel of blends. And, up to a maximum of 2.2 per cent for cotton made-ups, 1.4 per cent for MMF and silk made-ups and 1.8 per cent for made-ups of blends. For sacks and bags of jute, the rate is 0.6 per cent. All these apply with effect from October 1.

Further, the directorate-general of foreign trade enhanced the rates under MEIS from two to four per cent on readymade garment (RMG) and made-ups from November 2017 to June 2018. Allocation for the scheme is Rs 1,143 crore for 2017-18 and Rs 686 crore in 2018-19.

Textile exports had dropped due to competition from countries having duty-free access in the European Union and other major markets. Since the transitional provision of pre-GST drawback rates and RoSL benefits were extended only up to September, export of RMG had fallen by 40 per cent in October, top the lowest level in 42 months.

Ashok G Rajani, chairman, Apparel Export Promotion Council, says he's disappointed at the RoSL rates, as it was "far below our recommendations and central taxes rebate was not considered at all. Trade is in a dire state".

M Rajashanmugham, president, Tirupur Exporters Association, says there's still a 2.7 per cent shortfall compared to incentives drawn before GST implementation.

P Nataraj, chairman, the Southern India Mills' Association (SIMA), said they'd been expecting at least two to three per cent increase in the RoSL rates, considering the various embedded or blocked taxes, central and state.

He said he hoped these would be considered while announcing the revised duty drawback rates and ensure the same level of competitiveness the industry had under the special export garment package. He urged the new duty drawback rates be announced without further delay, with effect from October 1.

Source: business-standard.com- Nov 27, 2017

HOME

****

Remission in levies notified for textiles, apparel post-GST

In a move to boost textile exports, specifically of readymade garments and made-ups, the government has notified change in rates under the scheme for Remission of State Levies (RoSL) on exports of readymade garments, made-ups, and under the Advance Authorization-RoSL for garments, following the implementation of the Goods and Services Tax (GST).

According to an official statement here, RoSL rates are now up to a maximum of 1.7 per cent for cotton garments, 1.25 per cent for man made fibres (MMF) as well as silk and woollen garments, and 1.48 per cent for apparel made of blends.

"Rates are up to a maximum of 2.20 per cent for cotton made-ups, 1.40 per cent for MMF and silk made-ups and 1.80 per cent for made-ups of blends," the statement said.

"For sacks and bags made of jute, the rate is 0.60 per cent. The RoSL rate for garments under AA-All Industry Rates combination is 0.66 per cent," it added.

The rates are effective retrospectively from October 1, 2017.

Meanwhile, the Directorate General of Foreign Trade has announced an increase in the rates for incentives under the Merchandise Exports from India Scheme for readymade garments and made-ups from 2 per cent to 4 per cent of the value of exports, with effect from November 1, 2017 till June 30, 2018.

According to an official statement, the estimated annual incentives on this count would be Rs 1,143.15 crore for 2017-18 and Rs 685.89 crore for 2018-19.

Source: business-standard.com- Nov 26, 2017

HOME

****

India's cotton exports to drop sharply

India is likely to export nearly one-fifth less cotton than previously estimated as pink bollworms are set to eat into the south Asian country's output which was expected to hit a record, industry officials told Reuters on Thursday.

Lower exports from the world's biggest producer will help its rivals like the US, Brazil and Australia to raise their exports to Asian buyers like Pakistan, China and Bangladesh.

"This year exportable surplus will be around 6 million bales. Production estimates are revised down due to the pest attack," said Nayan Mirani, a partner at Khimji Visram & Sons, a leading cotton exporter.

Earlier, industry officials were estimating exports of 7.5 million bales of 150 kg each.

A 19 per cent jump in the area planted for cotton prompted industry officials to estimate record production of 40 million bales in the 2017-18 season starting on Oct 1.

But farmers found that as harvesting started fields were infested with pink bollworms which consume the cotton fibre and seeds inside the boll, or fruit, of the plant. The problem was especially widespread in the western Indian state of Maharashtra, the country's biggest cotton grower.

"In many regions the pest attack was severe. We now think production would be around 37.5 million bales," said Chirag Patel, chief executive at Jaydeep Cotton Fibres Pvt Ltd.

The bollworm infestation has occurred even as Indian farmers have adopted genetically-modified seeds known as Bt cotton that are resistant to the pest. The government approved the seed in 2006.

The technology transformed India into the world's second-largest exporter of the fibre. However, pink bollworms are now developing resistance to the technology, said V. N. Waghmare, director of Central Institute for Cotton Research.

"I was expecting to harvest five tonnes of cotton as the crop grew vigorously. But the bolls didn't open as almost every boll is infested with pink bollworms," said farmer Pandurang Kale as he split a cotton boll to show a pink bollworm that had eaten the fibre.

Kale spent more than 150,000 rupees ($2,300) on his cotton crop, but pink bollworms ensured he did not harvest a single kilo of cotton from his 5-acre (2 hectare) field, despite using Bt seeds.

Source: dawn.com- Nov 24, 2017

HOME

****

WTO outcome will not go against our interests: Prabhu

Huge potential for services exports to Latin and Central America, says Commerce Minister

We will ensure that the outcome of the World Trade Organisation (WTO) Ministerial Meet in Buenos Aires next month does not go against the interests of India, said Suresh Prabhu, Commerce and Industry Minister.

Adopting a consultative approach with the trade and industry as well as the Finance Ministry, Prabhu believes that it is better to have a focussed strategy in place for Foreign Trade Policy rather than give numbers.

In conservation with *BusinessLine*, the Minister talked about a range of issues including India's stand on the on-going trade negotiations, the export and industrial growth strategy under works and the need to balance the interest of producers and user industry. *Excerpts*:

With the WTO Ministerial meet just two weeks away, how is the Ministry tackling the increasing pressure on India to soften its position in important areas such as public stock holding and e-commerce?

We are not worried about that. India will not concede its position. We are sure about what our interests are. Whether it is public stockholding, fisheries subsidies, e-commerce or any other important issue, our interests will be properly safeguarded. Whatever the outcome of the WTO, it will not be against India's interests, that we will make sure.

The domestic industry is concerned about the on-going negotiation on Regional Comprehensive Economic Partnership and the possible tariff cuts on a large number of goods from 15 countries plus China. How will you address these concerns?

We will definitely make sure that all concerns of domestic industry will be taken on board while articulating or negotiating positions at RCEP. China is a part of the 16-member RCEP, so obviously whatever is being negotiated will apply to it as well. We have assured the industry that our domestic concerns will be taken care of.

How far has work progressed on the review of the existing Foreign Trade Policy?

What we are trying to do is to focus on the strategy that we will put in place. Giving numbers in isolation has no meaning. Numbers is the outcome of a strategy. If you focus on strategy properly, it will result in numbers. I am convinced that the strategy we are building will give us results.

I had recently sent the Commerce Secretary to Africa. She met a number of neighbouring countries around Uganda. The result is phenomenal. We had gone with a team from the Exim Bank, the ECGC, a Japanese bank and DFID. That is the new approach we are adopting. We are not just engaging bilaterally.

But, if you ask me when the results will be seen, I can't say what will be the response to the approach and whether results will be noticed from next month. What I do know is that until you don't put strategy in place, outcome will not come.

How seriously are you pursuing the market diversification drive?

Central America and Latin America are two markets with great potential. I had recently gone to Cuba and Panama. I talked to the industry there. While goods don't speak a language, services do. So if we want to send services to that part of the world, you have to have a regional centre. We are thinking of making Panama the regional centre. As soon as I came back I asked Nasscom to send a delegation to Panama. It is up to them to do so. At best what I can do is promote. But, to actually export is the job of the industry.

So you think there is a lot of opportunity to increase services export in Latin and Central America?

Oh, yes. There is hardly any services export to Latin America and Central America at the moment. But, exports to North America are good. However, there is stiff competition in that market. There are also entry restrictions such as high visa fee. While we are pursuing that issue and in a recent meeting I asked the US Commerce Secretary and the US Trade Representative to relax it, but the point to ponder is whether we should focus only on one market. Should we not explore other markets? Should we promote only goods or also services?

Did the USTR and the Commerce Secretary give any assurances on redressing the issue of high visa fees for professionals from India?

Issues related to US visa are dealt by the homeland ministry and other ministries. The USTR and the Commerce Secretary said that they have to take it up with them. PM Modi also took up the issue subsequent to that when he met US President Trump on the sidelines of ASEAN.

When can we expect the new industrial policy?

We are virtually ready with the draft. But, we are not going to announce it casually.

We will have wider consultation. One component of the policy is reducing the regulations. So I have asked the DIPP Secretary (who is chairing the committee on reducing regulations) to do it quickly.

Industrial policy should reduce regulations. India’s growth story is private sector driven. If I put too many restrictions and ask industrialists to come and meet me every now and then for various clearances, where is the time for them to do business?

Is the government going to go ahead with the imposition of anti-dumping duties on import of solar panels and modules?

When you make trade related decisions, there is always a trade-off. You may be trying to protect the domestic industry, but there are other users of that industry. Another example of this could be the issue of imposition of anti-dumping duties on steel (being pushed by steel producers).

However, steel users say don’t impose that duty as it does not help us. That is a big challenge.

I want to see domestic production going up but at the same time there are downstream users who are against it. We have to balance it. We will have a quasi-judicial process to settle it.

Source: thehindubusinessline.com- Nov 24, 2017

HOME

****

GST rollout: Centre will look into your concerns, says FM Arun Jaitley to textile traders

Union Finance Minister Arun Jaitley today met representatives of Surat's textile industry and assured them that the Centre will look into their concerns. Jaitley's outreach to Surat textile traders comes ahead of polls. Congress vice-president Rahul Gandhi had spent a full day, November 8, the first anniversary of demonetisation, here and had heard the problems of the textile workers.

Surat textiles industry body made representation before the finance minister seeking ease in procedures related to Goods and Services Tax (GST). Both the association and Jaitley said that the meeting was positive. Jaitley, who was here to attend the BJP's 'Mann ki Baat – Chai Ke Saath' programme, took time out to meet the textile traders and heard their concerns regarding the provisions in GST which they said was hurting the industry.

Jaitley said the textile industry in Surat is "very positive about government's economic policies and supports GST." He added the industry has demanded that the procedures should be made simpler, especially for small textile industry, and he has invited their representatives to meet concerned officials in Delhi to sort out their problems.

"I am happy that the textile industry of Surat, which is very progressive and which has made a name for itself in the entire world are very positive about government's economic policies and are in support of GST," Jaitley told reporters.

"They expect the procedures should be made simpler, especially for small textile industry, so that they are not overburdened with procedural compliance. I have invited a small representatives in Delhi and put their facts before the concerned officials. The GST Council is trying for the same and we will also certainly do our best," he said.

He further said he was happy that GST Council has solved issues raised with "historic tax reforms". "Other countries have praised India for addressing issues regarding GST at a very fast pace," he said.

Talking to PTI, president of Federation of Surat Textile Traders Association Manoj Agarwal, who made representation before Jaitley, said, “We told Jaitleyji that Surat’s textile industry is badly hurt due to GST and asked him to address our problems. We said we want GST, but we are not able to follow GST rules.”

“He assured us to solve our problem and asked four of us to meet him in Delhi regarding this along with Surat MP Darshanaben Jardosh who was also present in the meeting,” he said, adding the meeting was attended by around 300 textile traders and members of the Association. Delhi MP Manoj Tiwari, Navsari MP C R Patil, and Union Minister Jitendra Singh were also present for the meeting.

Agarwal said textile traders raised issues regarding GST at one point for saree processing and expressed concerns over e-way bill and reverse charge mechanism. “We are glad that the finance minister listened to our concerns and assured us that he will try to address them. He even invited us for discussions. We have made several representations before as well but this meeting was very positive, may be because of the upcoming elections,” he said.

Source: financialexpress.com- Nov 26, 2017

HOME

****

Traders Say Delay of Billions in Tax Refunds Slows India Exports

India’s exporters are a worried lot.

Four months after India’s biggest tax overhaul, traders are still waiting for 500 billion rupees ($7.7 billion) they say the government owes them in refunds, leaving them short of operating capital as overseas sales suffer.

“It’s an alarming situation,” said A. Sakthivel, regional chairman of the Federation of Indian Exporters Organisation in southern India. "Our working capital is stuck, we’re losing revenues and now we’re having to let workers go." More than 10,000 workers have lost their jobs in the Tirupur export hub that employs half a million in the state of Tamil Nadu, according to Sakthivel.

India's exports dipped for the first time in 15 months this October, falling 1.1 percent to $23.1 billion, even as the government tinkered with ways to simplify the hurriedly implemented nationwide goods and services tax. While last month's trade deficit widened the most in three years to $14 billion, exports are expected to fall further in November if prices of crude oil, India's biggest import, continue to climb, traders say.

The decline in exports combined with the slowing of India's $2.3 trillion economy contrasts with the accelerating global economy. With elections due in key states over the next few months, including Prime Minister Narendra Modi's home state of Gujarat -- India's second-most industrialized state with annual exports worth $60 billion -- his government faces the twin challenges of restoring business and saving informal sector jobs.

Nitin D. Wakankar, a spokesman in the commerce ministry, didn't respond to calls seeking comment.

Small, unorganized businesses -- especially in traditionally dominant textiles and jewelry sectors -- have witnessed the worst supply chain disruptions since July, exporters say. Two-thirds of India's exports basket comprises traditional product groups, including gems and jewellery, pharmaceuticals, textiles, engineering goods, food and fuel. In spite of extended deadlines for tax filing and large-scale reviews that eased rates for merchant exporters, the flow of cash refunds remains slow, according to traders.

Although exports are likely to stabilize after the GST-driven distortions subside, the traditional product mix will hinder the country's ability to participate in the ongoing trade upturn, according to Radhika Rao, Singapore-based economist at DBS Bank.

"Idiosyncratic drags from GST-related uncertainty and the effect of duty drawback" have added to trade headwinds, Rao wrote in a report on Nov. 22.

The government's efforts to address exporters' concerns will begin to show results shortly, according to Ajay Sahai, director general of the Federation of Indian Export Organisations. But in the meantime, many of the smaller exporters had to stop accepting fresh orders for lack of funds after paying taxes, he said.

The liquidity crunch has worsened with banks unwilling to lend exporters for GST payouts while they wait for refunds. Having to borrow more was further hurting profitability, said Ganesh Kumar Gupta, Mumbai-based chairman of Akaash Textiles Pvt. Ltd. and Vijay Silk House Group.

"GST will help the whole nation but the system is just not working," Gupta said. "We'd rather the government kept exporters out of the GST completely."

Source: bloomberg.com- Nov 27, 2017

HOME

****

Low yield, prices hit Haryana cotton farmers

Rajinder Singh of Fathepuria Niyamat Khan village in Sirsa district is quite perturbed. His cotton crop this year has betrayed him. All he managed to get from his five-acre field was 10 quintals of cotton, which is barely enough to meet the cost of cultivation.

What prompted Singh to go for cotton as kharif crop again this year was the bumper harvest he reaped last year. “My yield last year was 100 *mun* (nearly 40 quintals) of cotton. But the harvest this year is not even enough to cover my input costs let alone labour and other (crop-related) expenses,” said Singh.

He is still to figure out what had hit him. “Weather wasn’t very bad. I think there was some problem with certain packets of seeds I bought. And also I am not sure about the quality of pesticides I bought from the market. Despite their use, much was lost to insects,” Singh said.

Satyawan Singh Nain of Jandli Khurd village of Fatehabad district was not as unlucky as the cotton farmer from the neighbouring district. But, still, Nain’s cotton yield was down by one-third this season. “I got 18 *mun* (7.2 quintal) per acre this year as compared to 28 *mun* (11.2 quintal) during the last season. Besides, the prices are down in the market,” said Nain who sold half his produce already and is holding on to the rest hoping for a better price in the future.

A good crop and better prices last year prompted farmers in Rohtak, Hisar, Fatehabad and Sirsa districts — collectively known as the cotton belt of Haryana — to take to cotton farming in a big way. Needless to say, the area under cotton cultivation during the kharif 2017 went up by a substantial 27 per cent to 6.56 lakh hectares from 5.16 lakh hectares in 2016.

But it now turns out that a large number of cotton farmers in the State have to be satisfied with a below par crop. “Our hunch is that average yield is low this time. But I can’t put a number to it as we are still compiling the data,” said an official from the district agriculture office in Fatehabad. The damage is mostly suffered by farmers who went for a late sowing as there was a whitefly attack subsequently, he added.

However, sources at the Cotton Corporation of India office in Sirsa said the corporation has set a procurement target of 23 lakh bales (of 170 kg each) as against the previous season's 20 lakh bales. "We have so far procured 12-13 lakh yarns and are hopeful of meeting the target," they said.

The average yield is still down considering that the expected increase in yield is 10-15 per cent whereas the area of cultivation has gone up by 27 per cent.

Rohit Bansal, a trader at the Fatehabad mandi, said the cotton prices are down 15-20 per cent compared to last year. For most farmers, the good yield and better prices that paddy fetched have offset their losses from cotton. "Most rice varieties grown by farmers around Fatehabad have attracted on an average 1000 or more per quintal this time," he said.

The number of farmers who have grown only cotton may be a small minority, said Bansal.

Source: thehindubusinessline.com- Nov 26, 2017

HOME

****

Govt. will place order only if powerlooms are upgraded

The State government would place orders for producing fabric — for school uniforms under the Rajiv Vidya Mission and the Bathukamma sarees and other materials — only if the powerloom weavers upgrade their looms to produce value-added fabric, Minister for IT, Municipal Administration and Textiles K. Taraka Rama Rao said.

Addressing weavers after inaugurating a two-day mela on "in situ upgradation of plain powerlooms" at the textile town on Friday, he said: "The government is committed to upgrade the existing plain powerlooms with modern gadgets at a cost of ₹30 crore to help them produce quality fabric and increase the production. The onus is on the weaver to upgrade them as it is being offered at no cost to the weaver."

Further, the government would provide training to the powerloom weavers on the new machinery. The government had taken up geo-tagging of all the powerlooms in the state to ensure transparency, he said there were more than 30,000 powerlooms in Sircilla town out of a total of 50,000 powerlooms in the state. He said that they had decided to upgrade a total of 15,000 powerlooms in Sircilla during this year.

Mr. Rama Rao said that the state government had decided to pay premium of ₹80 per annum for group insurance scheme of weavers so that the weavers families would get ₹4 lakh for accident death, ₹2 lakh for natural death, ₹2 lakh for permanent disability and ₹1 lakh for partial disability.

He also called upon the weavers to get enrolled in the 'Nethannaku Cheyutha' thrift group by contributing a minium amount of ₹8 per month and an equal amount would be contributed by the government to provide social security to weavers. He also said that they had decided to set up to common services centre separately at Textile Park and Sircilla town for the benefit of weavers. Telangana State Cooperative Apex Bank (TSCAB) chairman K. Ravinder Rao, Handlooms and Textiles Commissioner Shailaja Ramaiyer, Collector Krishna Bhaskar and others were present.

Source: thehindu.com- Nov 26, 2017

HOME

****

Silence of the looms

A vivid account of how India's cotton growers and weavers have been ravaged by colonialism and its after-effects

This book is a comprehensive work on the economic history of India's cotton sector, particularly its growing and handloom weaving aspects. While tracing its journey through the ages, it elaborates on contemporary concerns such as Bt cotton and farmers' suicides, citing a wealth of official records and interviews. It is at once both an accomplished academic and journalistic work.

For perhaps a thousand years, roughly 900 CE to 1900 CE, India was one of the world's prosperous countries, as its cotton cloth was in immense demand the world over and draped by kings and commoners alike; this was before British Rule turned the tables on India's weavers and cotton growers.

During its flourishing years, India's cotton cloth-making was a decentralised activity. A variety of desi cottons were grown in abundance, from which a range of yarn was made to make fabrics for diverse needs. India comfortably clothed the world, and provided work around the year to the artisans and oil presses.

"Yarn had been made from locally grown cotton, and also from cotton brought from far away. People spun yarn when they were not working in the fields at planting or harvesting times. At those times, yarn prices were high as less yarn was available; at other times, when there was no farm work, everyone spun, and there was plenty of yarn, so that prices went down," the book explains. Khadi was not merely a symbol of self-reliance; it drove the pre-British Indian economy. Cotton was to India what oil is to West Asia.

Old threads

India seemed to enjoy the upper hand in the cotton fabric trade, as it traded what the world could scarcely do without, for gold, silver and altogether less essential items. Meanwhile, England's weavers could not match Indian cloth for both price and quality. Colonialism, or the use of political power to secure new markets, emerged as an imperative to address this imbalance.

The nascent textile industry, and prior to that for England's own weavers who eventually disappeared under the technological onslaught, lobbied effectively to get duties imposed on Indian fabrics. England would flood India with cloth that was cheap because it was subsidised, driving India's weavers to ruin. Britain's exports also led to a permanent change in the varieties of cotton grown in India, a crucial, often overlooked fact.

British looms needed long stapled cotton, whereas India's cotton despite producing superior cloth was of the short-stapled variety. American varieties were favoured since the British era and efforts were made to supplant Indian varieties with American ones. Indian growers were bound by law, the Cotton Frauds Act, to surrender their produce at market yards, and these would be baled and spun into yarn, for the benefit of the mills. The weaver was deprived of yarn, both in terms of quantity and the requisite quality for making different types of cloth, just as his produce was robbed of a market through import curbs and dumping of machine made cloth. Standardised, centralised production of yarn meant that "When the weavers went to buy the yarn the dealer would not sell them small quantities of different yarns… the weavers had no choice to buy large quantities of one kind of yarn to make a single product… The problem of yarn thus killed any hopes of selling cloth locally, as large quantities of a single product could not be sold in local markets."

Weavers and growers gradually submitted to larger, distant forces beyond their control — traders, transporters and moneylenders who controlled access to markets and finance. By forcing farmers to produce long-stapled varieties and by producing a kind of yarn unfit for handloom weaving, "Industrial spinning technology… does not serve the interest of either the farmer or the hand-weaver of cotton." Since it is transport-intensive and energy-inefficient, "it is time to… build a decentralised cotton textile industry for the future".

Small-scale dispersed cotton yarn spinning can bridge the gap between the cotton farmer and hand-weaver of cotton, the book suggests. The profound irony here is that the spinning industry today is in a mess, accounting for a large share of NPAs, thanks to yarn overproduction and vagaries of the global market. As the book argues, it is at the epicentre of the crisis in cotton. It is perhaps because the Gandhians lost the argument pretty early on that India continued with its fascination for American varieties even after independence.

Khadi and beyond

An aspect that the book does not go into is the ambivalence of Jawaharlal Nehru and BR Ambedkar towards khadi. They saw it as a symbol not of independence, but of perpetuation of feudalism in village society. Those critical of the khadi drive included Rabindranath Tagore, who is believed to have told Gandhiji that slavery to a small machine is just as bad as to a bigger one. The Marxists have argued that the change was tragic but inevitable. Somehow, Gandhiji, despite his leading by example, failed to convince his political fellow travellers that khadi was not merely a symbol of self-reliance but a potential driver of creative employment.

India's obsessive embrace of hybrids led to the rise of the American bollworm, and with it alarming levels of pesticide use. In its account of the Bt cotton experience, the book steers clear of the environmental debate, but points out that the benefits of Bt in terms of yield and output are not established by data, as the yield/output spurt precedes the actual spread of Bt, while the decline in output performance since 2011-12 is noticeable and officially acknowledged.

Today, the wheel has come full circle. Bt cotton is not the pest-resistant wonder it was touted to be, with the pink bollworm proving to be the new scourge. The high cost of seeds has been a cause of controversy, negating the lower cost on pesticide.

The book challenges the theory that farmers opted for transgenic cotton, saying other varieties were not available in the market. It argues that indebtedness and the fact of farmers being “at the vortex of factors, none of which are in her/his control”, were behind the over three lakh suicides of farmers in the Vidarbha belt since 1995 (National Crime Records Bureau data); Bt cotton may have aggravated these conditions, even if it did not cause them in the first place.

Sadly, it is only now that the research establishment is acknowledging the pest-resistant virtues of Indian desi varieties.

The book does not, however, deal with a basic question, if not contradiction: Can khadi become a mass-produced wage good as in the days of Gandhiji, or will it be an niche market affair? The book, in fact, seems uncritical of khadi going the latter way, in a way acknowledging that the game of economies of scale has already been lost to synthetics and powerlooms (although this may not necessarily be true).

Its diagnosis, that the yarn industry needs to be overhauled, seems correct, but how is that supposed to happen? It’s ironic that the powerlooms of Surat and Tiruppur are today in the doldrums, thanks to GST. Whether GST will address just their woes or spare a thought for handloom, which still accounts for some 12 per cent of India’s textile output, remains to be seen.

Source: thehindubusinessline.com- Nov 27, 2017

HOME

****

Dumping duty on caustic soda imports extended by one year

The Finance Ministry has extended by one year the validity of anti-dumping duty on 'caustic soda' imports from the US and Saudi Arabia.

The latest revenue department move follows recommendation of the Designated Authority in the Commerce Ministry in its sunset review initiation notification on Monday.

Caustic soda is an inorganic soapy, strongly alkaline and odourless chemical and finds application in various fields like manufacture of pulp and paper, newsprint, viscose yarn, staple fibre, aluminium, cotton, textiles, toilet and laundry soaps, detergent, dyestuffs, drugs and pharmaceuticals, petroleum refining etc.

The Designated Authority had recommended extension of validity of existing anti-dumping duty by one more year. The existing anti-dumping duty ranges from 'Nil' to $ 55.96 per tonne depending on the producer and country of export.

The Alkali Manufacturers' Association of India (AMAI) had filed the petition for extension of period, modification and enhancement of existing anti-dumping duty on import of caustic soda from United States and Saudi Arabia.

AMAI's petition was on behalf of three major domestic producers -- DCW Ltd, Grasim Industries Ltd and SIEL Chemical Complex.

Source: thehindubusinessline.com- Nov 27, 2017

HOME

****