sima

Fortnightly

E-REVIEW

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NEWS HIGHLIGHTS

- E-WAY BILL ROLLOUT DEFERRED FOLLOWING GLITCHES
- SIMA OFFICE-BEARERS MEET CHAIRMEN OF TNERC, TANGEDCO
- SIMA HAILS UNION BUDGET 2018-19
- CAI LOWERS ESTIMATE FOR 2017-18 CROP TO 367 LAKH BALES

REPRESENTATIONS

- As member mills had reported difficulties in generating e-way Bill due to technical error, the Association vide representations dated 1.2.2018 sent to Dr C Chandramouli, IAS, Additional Chief Secretary to Govt., Commercial Taxes and Registration department, Government of Tamil Nadu, Chennai, Mr.Sivarasu, IAS., Joint Commissioner (Enforcement), Commercial Taxes and Registration Department, Govt.of Tamil Nadu, Coimbatore and Mrs.Rashmi Siddharth Zagde, IAS., Joint Commissioner (Territorial), Govt. of Tamil Nadu, Coimbatore appealed to them to defer the implementation of e-way Bill till such time the technical error is resolved.

- The Association has sent representations dated 9.2.2018 to Mr.Vikram Kapur, IAS., Principal Secretary to Government, Energy Department, Government of Tamil Nadu, Chennai and Mr.K.Shanmugam, IAS., Additional Chief Secretary to Govt., Finance Department, Government of Tamil Nadu Chennai appealing not to change wind banking period and not impose any restriction to open access power purchase by the mills in Tamil Nadu.

- The Association has sent a representation dated 9.2.2018 to Mr.K.Phanindra Reddy, IAS., Principal Secretary to Government, Handlooms, Handicrafts, Textiles and Khadi Department, Government of Tamil Nadu submitting various issues confronted by the textile industry and requesting him to appropriate steps to resolve the same.

MEETINGS

- SIMA office-bearers, Mr.P.Nataraj, Mr.K.Vinayakam, Mr.Ashwin Chandran along with Dr K Selvaraju, Secretary General and Mr.V.Regurajan, Deputy Secretary General, SIMA met the Chairman, Tamil Nadu Electricity Regulatory Commission (TNERC) and Members of TNERC on 5th February 2018 and insisted not to change wind banking period and not to impose any restriction to open access power purchase. The delegation also met the Principal Secretary to Government, Handlooms & Textiles, Mr. K.Phanindra Reddy IAS., appealing to resolve problems faced by the textile industry in the State.

- The Association conducted an Interaction Session on export related issues including FTP & GST on 9th February 2018 at Madurai. Mr.A.Ravikumar, Joint Director, Cotton Textiles Export Promotion Council (TEXPROCIL) addressed the participants and clarified the doubts raised by the participants. He also made a detailed power point presentation during the session, which was circulated to member mills vide Association circular No.54 dated 15.2.2018.

- As the summer approaches fast, the Association organized a meeting of member mills from Tamil Nadu purchasing power through group captive mode on 14th February 2018 at SIMA Conference hall. The purpose of the meeting was to reach consensus among the members on power purchase in the context of some of the power producers increasing the power cost for the upcoming summer season.

UNION BUDGET 2018-19

Budget Highlights

- Hon'ble Union Minister for Finance, Mr. Arun Jaitley presented Union Budget for the year 2018-19 in the Parliament on 1st February 2018. The highlights of the Union Budget

CUSTOMS

→ Changes with regard to Customs Act –

- Social Welfare Surcharge levied @ **10%** on imported goods with effect from 2nd February 2018 to provide for finance, education, health and social security
- Levy of Road and Infrastructure Cess on import of petrol and high speed diesel oil
- Education Cess and Secondary & Higher Education Cess levied on imported goods @ 2% and 1% on aggregate duties of customs abolished
- Basic Customs Duty on silk fabrics increased from 10% to 20%
- No change with regard to cotton or synthetic textile products

ALLOCATION BY MINISTRY OF TEXTILES

→ Allocated Rs.7,148 crores to the textile sector. The major allocations are as follows:-

ATUFS	Rs.2,300.00 crores
ISDS	Rs.200.00 crores
Remission of State Levies (RoSL)	Rs.2163.85 crores

CENTRAL EXCISE

→ Changes with regard to Central Excise Act –

- The change with regard to petroleum product is summarized below:-

Item	Duty rates applicable prior upto 1.2.2018 (Rs. Per litre)				Duty rates applicable with effect from 2.2.2018 (Rs.per litre)			
Product	Basic Excise Duty (BED)	AED (Road Cess)	SAED	Total Excise Duty	Basic Excise Duty (BED)	Road and Infra-structure Cess	SAED	Total Excise Duty
Petrol (unbranded)	6.48	6	7	19.48	4.48	8	7	19.48
Petrol (branded)	7.66	6	7	20.66	5.66	8	7	20.66
Diesel (unbranded)	8.33	6	1	15.33	6.33	8	1	15.33
Diesel (branded)	10.69	6	1	17.69	8.69	8	1	17.69
Thus, total excise duty on motor spirit commonly known as petrol and high speed diesel oil remains unchanged.								

INCOME TAX

→ Standard deduction of Rs 40,000 for salaried employees in lieu of transport and medical expenses

→ A new Cess entitled "Health and Education Cess" has been levied @ 4 per cent.

→ PAN to be used as Unique Entity Number for non- individuals from April 1.

→ Govt makes PAN mandatory for any entity entering into a financial transaction of Rs 2.5 lakh or more.

→ Electronic IT assessment will be rolled out across the country, leading to greater efficiency and transparency

→ For senior citizens, exemption of interest income on bank deposits raised to Rs 50,000

CORPORATE TAX

→ Companies with turnover of up to Rs 250 crore to be taxed at 25 per cent

→ Government to contribute 12 per cent of EPF contribution for new women employees in all sectors. Contribution by women to be reduced to 8% for the first three years

AGRICULTURE

- MSP for kharif crops to be set at 1.5 times of the cost of produce
- Credit for agricultural activities to be increased from 10 lakh crores to Rs.11 lakh crores

TEXTILE SCENE

A Sakthivel elected as vice chairman of AEPC

- Dr. A Sakthivel, well-known for placing Tiruppur cluster on the world map, has been unanimously elected as the vice chairman of Apparel Export Promotion Council (AEPC) for 2018-19. He has previously been the chairman of AEPC for three tenures in the year 1998, 2004 and 2012 and has also been a member of Executive Committee of AEPC for the last 35 years. During his earlier tenures as AEPC chairman, he had steered projects like the Knitwear Technology Mission, the Sector Skill Council for Apparel, a national Social Compliance Project for apparel sector and several other initiatives for holistic development of the sector. In his over four decades career, Sakthivel has held various positions including that of the chairman of Indo American Chamber of Commerce (IACC). He is the founder president of Tiruppur Exporters' Association (TEA), which he served for 25 years. The Government of India had bestowed him with Padma Shri in 2009 for his contribution to the apparel industry, including helping Tiruppur become the main cluster for sourcing knitwear supplies from India. As a guide and mentor, he had steered the growth of knitwear exports from Tiruppur from a mere Rs 15 crore in 1984-85 to more than Rs 27,000 crore in 2016-17. Dr. Sakthivel has also served as the president of Federation of Indian Exports Organisations (FIEO) and currently holds the position of FIEO chairman for Southern Region. He is the first chairman of Sector Skill Council for Apparel, Made-ups & Handlooms (SSCAMH) which has the mandate to develop skills repository standards, evaluation criterion, and accreditation system for creating employability in the apparel sector. He is also the chairman of Tiruppur based Poppys Knitwear, which exports to over 50 countries worldwide and is a trusted supplier to global brands like Marks & Spencer's, Next, Tesco, Waitrose, Mothercare, Debenhams, John Lewis, etc.

Maharashtra cabinet approves textile policy for 2018-23

- The Maharashtra cabinet has approved a new textile policy for 2018-2023 to attract investment of Rs 36,000 crore and generate 10 lakh jobs. Reducing power tariff and raising capital subsidy for spinning mills are two key aspects of the policy, which takes forward the 'Make in Maharashtra' idea to strengthen the cotton industry and silk business. Higher concessions for setting up units in Vidarbha, Marathwada and north Maharashtra region is aimed at reducing regional imbalance in the state and cotton producing regions, which have reported a large number of farmer suicides, also have been emphasised, according to a report in an Indian English-language daily. Infrastructure will be created for textile cluster and garment parks, as per the policy, which also suggests setting up of a textile university in the Vidarbha region. Spinning mills in Maharashtra have been incurring losses due to higher power tariffs compared to other states. Therefore, the mills will be encouraged to set up solar power plants for their own use. Capital subsidy has been increased substantially for processing units, spinning mills, and modernisation of power looms. It proposes to give 45 per cent capital subsidy for processing units, and 25 per cent for spinning mills and modernisation of power looms. An additional subsidy of 20 per cent for processing and garment units in Vidarbha, Marathwada and north Maharashtra has also been proposed

TSIIC proposes small, medium textile parks in Telangana

- The Telangana State Industrial Infrastructure Corporation (TSIIC) has proposed setting up small- and medium-scale textile clusters spread over 50-100 acre each to encourage manufacturers from outside the state, such as Bhiwandi, Surat and Sholapur, to establish their units. This will encourage reverse migration of weavers to the state, it feels. Besides providing land, the state government is ready to provide incentives and subsidies, corporation chairman Gyadari Balamallu told representatives of the textile industry managements of Sholapur, Bhiwandi and Surat at a meeting at the TSIIC office in Hyderabad recently, according to media reports in Telangana. A proposal for setting up a small-scale textile park is under consideration in Pendyala village of Janagaon district, he added.

GLOBAL TEXTILE SCENE

Pakistan disbursed Rs 19 bn to textile sector till Jan 20

- Pakistan disbursed Rs 19 billion to the textile sector against claims of Rs 25 billion through the State Bank of Pakistan under the Prime Minister's Export Enhancement Package till January 20 this year. The government also offered procedural and tax relaxations on the import of textile machinery for the modernization and capacity enhancement. The Rs 162 billion package was announced to help the textile sector gain competitiveness in the international market. The government wants to revive confidence of the textile sector through the package, a top official of ministry of commerce and textile industry told a Pakistani news agency. The package would be expanded to other industrial sectors, including the pharmaceutical sector, he said

RAW MATERIAL FRONT

Brazilian cotton prices start declining in late January

- After a sharp increase in cotton prices observed in the first three weeks of January, prices took a negative turn in later part of the month in the Brazilian market. Center for Advanced Studies on Applied Economics-Luiz de Queiroz College of Agriculture (CEPEA/ESALQ) cotton index rose 3.34 per cent in January to close at 2.7536 BRL per pound on January 31. "When prices were on the rise, processors were more active in the market, in order to replenish inventories and adjusting bidding to asking prices. Cotton growers, in turn, were attentive to the price rises at the New York Stock Exchange (ICE Futures), the delivery of the product purchased through contracts and new contracts for exportation in 2018 and 2019. In the last week of January, however, with the international price drop, purchases ended up reducing bidding prices," CEPEA said in its latest fortnightly report on the Brazilian cotton market. Towards the end of the month, the pace of trades slowed down, and competition between agents and some buyers limited trades in the spot market. There were also reports of lower quality in several cotton batches. Some growers, who had already sold a great part of their output, went out of the market to focus on fieldwork. For future shipment, the pace of trades was fast, both for the 2016-17 and the 2017-18 crops – some of them involved the 2018/19 season as well. Trades were based on fixed prices (flex), on contracts at ICE Futures and on the CEPEA/ESALQ Index. Despite the gap between bidding and asking prices for both seasons, some export deals were made. Data from the BBM (Brazilian Commodity Exchange) tabulated by CEPEA indicate that 68.2 per cent of the 2016-17 Brazilian crop, estimated at 1.529 million tons, might have been traded until January 30. Of this total, 59.1 per cent were sold to the domestic market, and 40.9 per cent to the international market. For the next season, data indicate that at least 40.5 per cent of the 2017-18 production (forecast at 1.703 million tons) may have been traded in the same period, with 63.6 per cent allocated for exportation and 36.4 per cent for the domestic market. In January, Cotlook A Index averaged 0.9128 BRL per pound, 7.24 per cent higher than in December 2017, while dollar dropped 2.52 per cent against real in the same period.

CAI lowers estimate for 2017-18 crop to 367 lakh bales

- The Cotton Association of India (CAI) has lowered its estimates for cotton crop fro the ongoing 2017-18 crop year at 367 lakh bales. The association has released its January 2018 estimate of the cotton crop for the year 2017-18 beginning from October 1, 2017. The CAI has lowered its estimate for the ongoing season by 8 lakh bales. The projected balance sheet drawn by the CAI estimated total cotton supply for the season at 417 lakh bales of 170 kg each, including the opening stock of 30 lakh bales at the beginning of the season and the imports which the CAI estimated at 20 lakh bales for the 2017-18 crop year. The domestic consumption is estimated to be at 320 lakh bales while CAI estimates exports for the season to be 55 lakh bales. The carryover stock at the end of this season on September 30, 2018 is estimated to be 42 lakh bales. As per data received from each cotton growing local state Association, the CAI estimates cotton arrivals up to January 31, 2018 at 211 lakh bales compared to 157.75 lakh bales arrived during the same period last season.

UPCOMING EVENTS

Rehabilitation package for the sick spinning mills in Telangana

- Telangana Spinning and Textile Mills’ Association approached SIMA to prepare a rehabilitation project report to revive about 15 spinning units in Telangana. The project approximately would take around 40 days to collect necessary data and submit the project report. Mr.K.Ranganathan, Textile Consultant has been appointed by the Telangana Government to prepare the project report with the help of SIMA

GST

E-way bill rollout deferred in India following glitches

- Following technical glitches, the Indian Government has deferred implementation of requirement for transporters to carry electronic-way (e-way) bill for inter- state movement of goods as per goods and services tax (GST) provisions that began on July 1 last year. The regulation was to be implemented starting February 5 to check rampant tax evasion. "In view of difficulties faced by the trade in generating e-way bill due to initial technological glitches, it has been decided to extend the trial phase for generation of e-way bill, both for inter and intra state movement of goods. It will be applicable from a date to be notified," the Central Board of Excise and Customs (CBEC) tweeted. GST Network, the company developing the information technology infrastructure for the new indirect tax regime, had been conducting trial runs for the e-way bill system since January 17, during which 2.84 lakh such permits were issued on the portal. However, when the portal was formally launched, the system witnessed technical problems. CBEC chairperson Vanaja Sarna held a review meeting to discuss streamlining the system, according to Indian media reports. Movement of goods of more than Rs. 50,000 in value cannot be made by a registered person without an e-way bill. The industry, however, feels the e-way bill system cannot completely stop tax evasion and may result in supply chain bottlenecks in case of technical glitches.

PRESS RELEASE

SIMA hails Union Budget 2018-19

- In a Press Release issued at Coimbatore on 1st February 2018, Mr.P.Nataraj, Chairman, The Southern India Mills' Association (SIMA) has welcomed the increased allocation of Rs.7,148 crores that includes Rs.2,300 crores for Amended Technology Upgradation Fund Scheme and the balance for other schemes as against Rs.6,251 crores allocated during last year. Extending 12% EPF employer's contribution for the first three years of employment and also the fixed term employment for all the sectors of the industry would encourage job creation in the textile industry says, Mr.Nataraj. SIMA Chairman has also welcomed the scheme for MSMEs to address the issues relating to NPA norms and stressed assets, a long pending demand from the industry. He has also welcomed the reduction of corporate tax rate from 30% to 25% for the units having upto Rs.250 crores annual turnover. He has stated that more than 80% of the textile units would be benefited out of the reduced corporate tax rate that would help them to plough back the amount for creating additional jobs and value addition. Mr.P.Nataraj has stated that the Union Budget has allocated Rs.2,164 crores for Remission of State Levies (RoSL) as against Rs.1,855 crores allotted last year for the exports of garments and made-ups. He has said that the amount is inadequate as there is huge backlog even for the year 2017. He has pointed out that timely disbursement of government dues is very much essential to ensure adequacy in working capital and achieve a sustained growth rate in exports and job creations. He has appealed to the Government to clear the long pending RoSL benefits, IGST refund and other dues at the earliest to ease the financial position of the exporters.

JUDGEMENTS

CX - Taking of wrong credit on 14 occasions cannot be termed as clerical mistake - penalty rightly imposed u/r 15(2) of CCR, 2004 - ROM dismissed: CESTAT

MUMBAI, FEB 09, 2018: THIS is a case of wrong availment of CENVAT Credit of duty paid on capital goods.

Inasmuch as instead of availing credit of the duty paid on the ***part***quantity received by them from a dealer, the assessee had availed credit on the ***full*** quantity that the registered dealer had purchased. Nonetheless, they reversed the excess credit taken. However, proceedings were initiated and penalty and interest were imposed by the adjudicating authority and which order was upheld by the Commissioner(A).

The appellant filed an appeal before the CESTAT and sought waiver of penalty and interest by taking support of Tribunal decisions viz. - **2017-TIOL-49-CESTAT-DEL**, **2016-TIOL-1140-CESTAT-ALL** & **2014-TIOL-1768-CESTAT-MUM.**

The CESTAT observed that during the period 04/02/2008 to 24/11/2009, the appellant had taken wrong credit on 14 occasions and mistake committed so often and for such a long time could not be called a clerical mistake. Holding that the availment of such credit was a deliberate act, the penalty imposed was upheld. On the question of imposition of interest, the appellant asserted that they have not utilized the credit but only made book entry. However, the Tribunal observed that the above submission was not supported by evidence and, therefore, interest was rightly payable. The appeal was dismissed.

The appellant is again before the CESTAT with a ROM application.

It is pointed out that immediately after the hearing on 11/08/2017, the applicant had vide letter 14/08/2017, received in the registry on the same day, submitted the evidence containing data which showed that the said credit was not utilized. Furthermore, no evidence of such suppression, mis-declaration, etc. has been incorporated in the proceedings before the lower authorities to justify the imposition of penalty u/r 15(2) of CCR.

The AR resisted the application and submitted that the period of dispute is 2008-2009 and the Bombay High Court in the case of *GL&V India Pvt. Ltd.* - **2015-TIOL-1210-HC-MUM-CX** has held that for the period prior to 2011 even if the credit wrongly availed has not been utilized the interest is payable; that the Larger Bench of the Tribunal in the case of *JK Tyre & Industries Ltd.* - **2016-TIOL-1781-CESTAT-BANG-LB** has held that in case of different decisions of different Higher Courts, the Tribunal needs to follow the jurisdictional High Court.

The Bench observed -

*"4. I have gone through the rival submissions. I find that the Hon'ble High Court in the case of GL & V India Pvt. Ltd. (supra) has distinguished the decision of the Hon'ble High Court of Karnataka in the case of Bill Forge Pvt. Ltd. and agree with the decision of the Hon'ble Apex Court in the case of Ind-Swift Laboratories Ltd. - **2011-TIOL-21-SC-CX**. In view of the above, the liability of interest cannot be set aside, even if the appellants have not utilized the credit. It is seen that the show-cause notice does not specifically say that the appellants have mis-declared the price or committed fraud etc. However, from the Annexure-A to the show-cause notice it is seen that the applicants have taken inadmissible credit 14 times. In view of such a clear evidence, no specific allegation is necessary to invoke Rule 15(2) of the Cenvat Credit Rules, 2004."*

Concluding that there is no merit in the ROM application, the same was dismissed.

ST – Domestic tax should not be carried outside country: CESTAT

MUMBAI, FEB 02, 2018: THE appellant is operating as a unit within SEEPZ, SEZ, Mumbai for export of 'Information technology software services'.

They filed claims u/r 5 of CCR, 2004 for refund of accumulated CENVAT credit.

The original authority sanctioned an amount of Rs.9,43,701/- out of a total claim of Rs.11,96,536/-.

Revenue challenged this order and the Commissioner(A) held that the activity undertaken by the appellant did not conform to all the six parameters embodied in rule 6A of Service Tax Rules, 1994 which was an essential requirement for sanction of refund; that such service did not conform to the definition of 'exports' was a consequence of the finding that the place of provision of service which should be outside India as per Place of Provision of Service Rules 2012 was not.

The appellant is before the CESTAT and justifies their claim of refund by placing reliance on the decisions in Sai Life Sciences Ltd - 2016-TIOL-433-CESTAT-MUM, Bharti Airtel Ltd. - 2011-TIOL-518-HC-KAR-ST and Godaddy India Web Services Pvt Ltd - 2016-TIOL-08-ARA-ST.

At the outset, the Bench held that decisions of the Advance Rulings Authority are not binding on the Tribunal and they do not constitute a valid precedent.

The Bench further observed -

+ Finance Act, 1994 is the statute enacted for levy and collection of tax on services rendered within the territory of India. The appellant, however, operates under a special legislation enacted to govern the operations of entrepreneurs within specially demarcated areas, viz., namely, Special Economic Zones Act, 2005.

+ While export of service has been defined in the Service Tax Rules, 1994, the special legislation, with intent to promote exports by units in such special economic zones contains within it a definition of 'service' and of 'export' which are not congruent with that in the laws governing taxation in India.

+ Furthermore, under Section 51 of Special Economic Zones Act, 2005 the provisions therein shall prevail notwithstanding anything contained in any other law. Therefore, in determining whether a unit in Special Economic Zone has performed an activity amounting to exports, the provisions of Service Tax Rules, 1994 cannot be applied. Hence, there can be no doubt that the appellant has exported and, as an exporter, that service being authorized is entitled to the consequences.

+ Units in Special Economic Zone are governed by section 26 of the Special Economic Zones Act, 2005 which exempts all duties and taxes on goods and services required for use in authorized operations.

+ Exemption is accorded through special procedure that has been laid down by the Department of Revenue by discharging the tax liability and obtaining refund thereafter. In those circumstances, there is no scope for accumulation of CENVAT credit by a unit in the Special Economic Zone.

+ Nevertheless, in the instant case, tax has been collected and the appellant has not been refunded this tax as per procedure laid down in notification no. 17/2011-ST dated 1 st March 2011. The notice has not ventured to ascertain the cause of such accumulation and the lower authorities have also not discussed this aspect.

+ The destination of the services rendered by the appellant being undoubtedly the location of overseas clients, it necessarily follows that the domestic tax should not be carried outside the country. This requires refund of such tax, which in the present case, is represented by accumulated CENVAT credit. In the absence of other provision, the appellant has no option but to rely upon rule 5 of the CENVAT Credit Rules, 2004 to get such tax, which should not have been collected or should have been refunded owing to the primary provision of section 51 of Special Economic Zone Act, 2005, reimbursed. [All India Federation of Tax Practitioners - 2007-TIOL-149-SC-ST relied upon] The impugned order was set aside and the appeal was allowed with consequential relief.

Trade discounts are permissible deductions from total turnover and cannot be disallowed as original tax invoice issued did not indicate discount

- The tax authorities have always disputed the claim of post-sale trade discounts (cash or quantity discounts) claimed by the taxpayers on the ground that the said discounts were not linked to any sale invoices. Hence, claim of deduction towards such discounts from the sales turnover were disallowed. In a landmark decision, the Supreme Court held that all trade discounts are allowed as permissible deductions and the taxpayer would be entitled to a deduction of the trade discount so long as the taxpayer was able to establish from its accounts that the discount related specifically to sales with reference to which it was allowed.

SC frowns at by passing of Tribunals

- The Supreme Court criticized the Kerala High Court for passing an interim order in a debt recovery case, that too in a writ petition when alternative remedies were available under the Securitisation (SARFAESI) Act. "The writ petition ought not to have been entertained and the interim order was granted for the mere asking without assigning special reasons, and that too without even granting opportunity to the lender bank to contest the maintainability of the writ petition," the judgment stated in the case, State Bank of Travancore Vs Mathew K C.

  The borrower was declared a defaulter and the mortgaged property was taken over by the bank. The borrower moved the High Court, arguing that he had not been given an opportunity to regularize the loan. The High Court accepted the plea and stayed the recovery proceedings. The Supreme Court stated that staying the proceedings amounted to judicial adventurism as the law is well settled that a writ petition would not be entertained when debt recovery laws allow appeals before tribunals. "In financial matters, grant of ex-parte interim orders can have a deleterious effect and it is not sufficient to say that the aggrieved person has the remedy to move for vacating the interim order. Loans by financial institutions are granted from public money generated at the taxpayers' expense. Such loan does not become the property of the person taking the loan, but retains its character of public money given in a fiduciary capacity as entrustment by the public," the Court observed.

Bail is the norm in cheque bounce cases

- In a case of bounced cheque, the Supreme Court granted bail to the accused person, invoking the principle that bail is the general rule and jail is an exception. The accused person, in this case, was charged with cheating and issuing a cheque for Rs.1,800,000 which he stopped from payment by the bank. The drawee filed a case under the Negotiable Instruments Act. The drawer was charge-sheeted and jailed. He was denied bail by the Trial Court and the Allahabad High Court. On appeal, the Supreme Court reiterated the bail-not-jail principle and released him on bail. The judgment in the case, Dataram Singh Vs the State of UP, noted that there was no apprehension that the accused would abscond or hamper the trial in any manner. He was no shady character. The High Court ought to have judiciously exercised discretion and granted bail, the apex Court said.

COTTON AND COTTON YARN PRICES

Price Behaviour

Cotton – Spot* (Rs/Candy)

- Given below are the cotton and cotton yarn prices prevailed at various dates for the benefit of the members:

Variety	10.02.2018	03.02.2018	27.01.2018	19.01.2018	12.01.2018	05.01.2018	29.12.2017
ICS-101 (Bengal Deshi (RG) / Assam Comilla)	42400	40900	41100	422000	42900	42000	41400
ICS-201 (Bengal Deshi (SG))	42900	41400	41700	42800	43600	42800	42200
ICS-102 (V-797)	30000	30400	30400	30400	31600	31000	31500
ICS-103 (Jayadhar)	33400	33600	33600	33800	34600	33900	34300
ICS-202 (J-34)	39300	39600	40100	40600	40900	40000	40000
ICS-105(LRA-5166)	40300	40600	41000	41300	41300	40600	40700
ICS-105 (H4-Mech 1 - Guj)	39600	39700	40700	40800	41000	40100	40000
ICS-105 (Shankar – 6 (Guj))	40300	40300	41300	41200	42000	40900	41100
ICS-105 (Bunny / Brahma)	41900	41700	42500	42300	43200	42400	42300
ICS-107 (DCH 32)	56000	56000	56700	55300	55800	57000	56500

* - Spot rates quoted based on growth & grade standard (i.e: parameter based) *Source: CAI*

Cotton Yarn (Rs/Kg – Taxes Extra)

Count	10.02.2018	03.02.2018	27.01.2018	19.01.2018	12.01.2018	05.01.2018	29.12.2017
Hank Yarn							
20s	190	190	190	190	190	188	188
30s	210	210	210	210	210	210	210
40s	233	233	233	233	233	233	233
60s K	254	254	254	254	254	254	254
60s C	327	327	327	327	327	327	327
80s C	382	382	382	382	382	382	382
Cone Yarn							
20s	190	190	190	185	180	180	180
30s	200	200	200	190	190	190	190
40s	208	208	208	205	205	205	205
60s K	255	255	255	255	255	255	255
60s C	280	280	280	280	280	280	280
80s C	354	354	354	354	354	354	354

Source: - Mill Source: (Quotes are only indicative)*

CIRCULARS ISSUED DURING THE FORTNIGHT

Sl. No	Cir.No	Date	To	Subject
1)	43/2018	1.2.2018	All Member Mills	Highlights of the Union Budget 2018-19 - reg
2)	44/2018	2.2.2018	All Member Mills	Postponement of implementation of e-way Bill – reg
3)	45/2018	2.2.2018	All Member Mills	Rescheduling of Interaction Session on Export related issues including FTP & GST -reg
4)	46/2018	3.2.2018	All Member Mills	Notification for postponing the implementation of e-way bill rules has been issued – Reg
5)	47/2018	3.2.2018	All Member Mills	Fresh date for Session on "Textile Exports and Imports under Foreign Trade Policy and GST" at Madurai, Tamil Nadu– reg
6)	48/2018	6.2.2018	All Member Mills	Weekly cotton prices - reg
7)	49/2018	6.2.2018	All Member Mills	Release of subsidy under M-TUFS (List 1 case) - reg
8)	50/2018	7.2.2018	Managing Directors of All Member Mills	9th Asian Textile Conference of CITI on 14th March 2018 at Mumbai – reg
9)	51/2018	7.2.2018	Managing Directors of All Member Mills	Session on Textiles - UP Investors Summit 2018- reg
10)	52/2018	7.2.2018	All Member Mills	Trans Pacific Partnership Agreement - reg
11)	52-A/2018	8.2.2018	Member Mills in Tamil Nadu	Interaction meeting for Power purchase on 14.2.2018 at SIMA – reg
12)	52-B/2018	9.2.2018	Member Mills in Tamil Nadu	Workshop on Open Access in Tamil Nadu conducted by IEX on 15th Feb– reg
13)	53/2018	10.2.2018	All Member Mills	Sale of spare parts by M/s. Loyal Textile Mills Limited – reg
14)	53-A/2018	12.2.2018	Member Mills in Tamil Nadu	Interaction meeting for Power purchase on 14.2.2018 at SIMA – reg
15)	53-B/2018	12.2.2018	Member Mills in Tamil Nadu	Amendment to the Minimum Wages notification for Hosiery Industry clarification – reg.
16)	53-C/2018	15.2.2018	Member Mills in Tamil Nadu	Consumer Price Index Numbers - Chennai City –December 2017
17)	53-D/2018	15.2.2018	Member Mills in Andhra Pradesh & Telangana	Consumer Price Index Numbers - All India –December 2017
18)	54/2018	15.2.2018	All Member Mills	Power Point Presentation made at the Session on "Textile Exports

				and Imports under Foreign Trade Policy and GST" at Madurai
19)	54-A/2018	15.2.2018	Member Mills in Tamil Nadu	Constraints in getting NOC from the concerned EDCs for purchase of power through Group Captive mode. – reg
20)	54-B/2018	15.2.2018	Member Mills in Tamil Nadu	Confirmation of the Quantum of Power Required for Power Purchase Negotiation for the year 2018 -19 – reg
21)	54-C/2018	15.2.2018	Member Mills in Tamil Nadu	Issues faced in filing complaints with the concerned Police Stations in case of women workers found missing from mills – reg.
22)	54-D/2018	15.2.2018	Member Mills in Tamil Nadu	Minutes of the Code Review Panel meeting – reg.