sima

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NEWS HIGHLIGHTS

- **MEMORANDUM SUBMITTED TO MINISTER OF STATE FOR FINANCE**
- **SIMA'S APPEAL TO POWER MINISTER ON GROUP CAPTIVE NORMS**
- **GOVERNMENT RAISES MSP ON COTTON**
- **SIMA URGES PSF & TMC SCHEMES TO DOUBLE COTTON FARMERS' INCOME**

REPRESENTATIONS

- A Memorandum meant for Hon'ble Union Minister of State for Finance, Mr.Pon Radhakrishnan was submitted by the Chairman, Mr.P.Nataraj through Mr.Muralidhar Rao, National Secretary, BJP, who visited SIMA on 4th July 2018. In the Memorandum, the Association emphasized the need for reducing the hank yarn obligation from 40% to 10%, need to include spinning machines under TUFS for modernization, reestablishment of Technology Mission on Cotton to increase cotton productivity, increased duty drawback and RoSL rates, need for allowing refund of accumulated input tax credit on fabrics, seeking settlement of long pending TUFS subsidies amounting Rs.9000 crores under old TUFS and A-TUF and speedy conclusion of FTAs with major countries including EU.

- Vide a representation dated 6th July 2018 sent to the Hon'ble Union Minister of State for Power, Shri R K Singh, the Association while welcoming amendments to Electricity Act 2003, it was suggested that changes like non-compliance by any one captive user will affect all the remaining users, not accounting the banked energy as the aggregated power generation, restricting only the captive users as the promoters of group captive power plant, etc., would be detrimental and affect the global competitiveness of the industry. Therefore, it was appealed to make necessary modifications in the Group Captive Power Purchase Norms.

MEETINGS

Visit of BJP National Secretary to SIMA

- Shri Muralidhar Rao, National Secretary, BJP along with Smt Vanathi Srinivasan, State General Secretary, Tamil Nadu and Mr.C.P.Radhakrishnan, Chairman, COIR Board visited the Association on 4th July 2018 for an interaction meeting. On behalf of the industry, Chairman, Mr.P.Nataraj, CMD, LMW, Mr.Sanjay Jayavarthanavelu, former Chairman, SIMA/CITI and President, ICF, Mr.J.Thulasidharan, Committee Member, Mr.Ravisam, Dr A Sakthivel, Vice-Chairman, AEPC, Mr.Raja M Shanmugam, President, TEA have participated in the meeting. SIMA Chairman and Mr.Ravisam emphasized the need for reducing the hank yarn obligation as the same gives lot of difficulties for the spinning sector. It was mentioned to the visiting delegation that the industry was not against the supplying hank yarn to the handloom sector. But when the demand for hank yarn had drastically reduced, retaining same level of obligation at 40% has been giving problems for the industry in fulfilling the obligation. The other stakeholders have put forth their respective problems on machinery, export and cotton fronts. Chairman, Mr.P.Nataraj has handed over a memorandum meant for the Hon'ble Union Minister of State for Finance, Mr.Pon Radhakrishnan covering the issues faced by the textile industry.

BJP delegation

Industry leaders interacting with the BJP delegation

TEXTILE SCENE

There is growing interest in yarns with natural origins

- The market for bio-based yarns is pretty limited, but there is a growing interest in yarns with natural origins. In line with growing consumer demand for eco-sustainable clothing a large number of brands from different price ranges use bio-based yarn in their collections, said a top official from Fulgar SPA, an international leader in manmade fibre market. "The growth rate for our bio-based Evo yarn is very high, over 30 per cent a year. It is still a new product. In general, the favourable market response to our Evo organic yarn is a source of great satisfaction for us and it rewards our commitment and investment," Alan Garosi, marketing manager, Fulgar

SPA. Over the last three years, Fulgar has launched an all-round sustainability programme, investing in research and development (R&D) and developing products made from recycled raw or natural materials. Fulgar's products and manufacturing methods have gained sustainability certification in a number of areas, including life cycle assessment (LCA), assessment of the environmental impact caused by the entire production process, and Q-Nova's inclusion in the Higg Index that measures the environmental impact of a garment's entire lifecycle. When asked about the demand for bio-based versus polyamide 6,6 yarns at Fulgar, Garosi said, “Unlike traditional polyamides, where demand comes from across the market, as a result of costs and technical performance the demand for bio-based polyamides is focused on premium clothing.” The company plans on introducing new products that are linked to sustainability, and will present an environmental balance updated to the three-year period of 2015-2017. It will also explore new, potentially interesting markets for our type of products.

GLOBAL TEXTILE SCENE

Dhaka seeks help from developed nations to expand exports

- Bangladesh is looking for new markets to boost its exports, according to commerce minister Tofail Ahmed, who is hopeful of developed countries continuing their cooperation in that regard as the country graduates from the least developed countries (LDC) group. Ahmed was speaking at a workshop on garment and footwear products of Bangladesh in Brussels recently. The European Union and the Organization for Economic Co-operation and Development jointly organized the workshop, Bangladesh news media reported citing an official press release. Ahmed went to Brussels on June 24 to join the 4th review meeting of Sustainability Compact for the readymade garments (RMG) sector. The Sustainability Compact is an agreement with the European Union, the United States, Canada and the International Labour Organisation (ILO). Ahmed said Bangladesh has ensured labour rights, fire safety of buildings along with the health services of workers, but the third pillar of the agreement — fair price of garment products — is not getting importance.

Vietnam's textile sector is 5th in world: VCOSA

- The Vietnam Cotton and Spinning Association (VCOSA) recently said the textile sector has the second highest export turnover and occupies fifth position in the world. Vietnam exported textile items worth more than $31 billion last year, representing an annual rise of 10.23 per cent. The growth is expected to continue this year with an estimated revenue of $33 billion. Between 2018 and 2022, the export tax on certain products will be reduced to zero, creating new opportunities for the country to promote economic growth, Tran Thanh Hai, deputy head of the department of export and import under the ministry of industry and trade, said at the 4th Vietnam Textile Summit 2018 organised in Hanoi on June 27 by the ECV International and VCOSA. Competitive labour costs and preferential policies will continue to help Vietnam become one of the ideal destinations for investors in the sector, a Vietnamese newspaper quoted Hai as saying

RAW MATERIAL FRONT

Govt raises MSP on cotton by Rs.1,130/quintal

- Giving a major boost to the income of farmers, the Cabinet Committee on Economic Affairs chaired by Prime Minister Narendra Modi has approved the increase in the Minimum Support Prices (MSPs) for all kharif crops for 2018-19 season. The MSP for both medium staple and long staple varieties of cotton has been increased by Rs.1,130 per quintal. "The decision of the CCEA is a historic one as it redeems the promise of the pre-determined principle of fixing the MSPs at a level of at least 150 per cent of the cost of production announced by the Union Budget for 2018-19. The Commission for Agricultural Costs and Prices (CACP) has recommended MSPs for all kharif crops broadly in line with the announced principle," an official statement said. For medium staple cotton, the MSP has been raised from Rs.4,020 per quintal in 2017-18 season to Rs.5,150 per quintal in 2018-19 season, an increase of 28.11 per cent. Likewise, the MSP for long staple cotton has been increased from Rs.4,320 per quintal in 2017-18 season to Rs.4,450 per quintal in 2018-19 season, a rise of 26.16 per cent. Return over cost would be 50.01 per cent for medium staple cotton and 58.75 per cent for long staple cotton, the statement said. It includes all paid out costs such as those incurred on account of hired human labour, bullock labour/machine labour, rent paid for leased in land, expenses incurred on use of material inputs like seeds, fertilisers, manures, irrigation charges, depreciation on implements and farm miscellaneous expenses, and imputed value of family labour

Better Cotton is 14 pc of global cotton: BCI report

- Better Cotton now accounts for 14 per cent of global cotton production, a 2 per cent increase on 2016, according to the BCI 2017 annual report, launched at the BCI Global Cotton Conference in Brussels. The report celebrates the achievements of BCI farmers, partners, members and stakeholders from around the world towards making cotton production sustainable. BCI is striving to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future. In the 2016-2017 cotton season, 1.3 million licensed BCI farmers in 21 countries produced 3.3 million metric tonnes of Better Cotton lint, enabling a record-level of more sustainably produced cotton to enter the global supply chain. The report highlights achievements of the initiative in sustainable cotton production including challenging of the gender inequality and implementation of innovative sustainable farming practices among BCI farmers and implementing partners in Mozambique, Pakistan and China. The Global Harvest Report section details the BCI's global reach, providing global and country-level figures, plus updates on the Better Cotton Standard System. The 'Better Cotton Growth and Innovation Fund' and 'Financial Footprint' sections of the report provide details of the BCI funding model and investment mechanisms.

CAI retains 2017-18 cotton crop estimate at 365 lakh bales

- The Cotton Association of India (CAI) has retained its cotton crop estimate for the ongoing crop year 2017-18 at 365 lakh bales of 170 kg each, i.e. at the same level as in its estimate made in the previous month. The stock at the end of June 2018 is pegged at 87.45 lakh bales including 51.85 lakh bales with textile mills and 35.60 lakh bales with others. In its June estimate of the cotton crop for the 2017-18 season beginning from October 1, 2017, the CAI has projected total cotton supply up to June 30, 2018 at 394.45 lakh bales. The cotton supply includes arrival of 348.45 lakh bales up to June 30, 2018, estimated imports of 10 lakh bales and the opening stock of 36 lakh bales at the beginning of the season as on October 1, 2017. CAI revised opening stock of the season from 30 lakh bales to 36 lakh bales based on the discussions held at the meeting of the Sub-committee constituted by the Cotton Advisory Board (CAB) held on June 14, 2018. Further, the CAI has estimated cotton consumption for 9 months i.e. from October 2017 to June 2018 at 243 lakh bales @ 27 lakh bales per month. The shipment of cotton till June 30, 2018 has been estimated at 64 lakh bales. The stock at the end of June 2018 is estimated at 87.45 lakh bales including 51.85 lakh bales with textile mills while the remaining 35.60 lakh bales are estimated to be held by CCI and others (MNCs, traders, ginners, etc). The projected yearly Balance Sheet for the 2017-18 drawn by the CAI has estimated total cotton supply till end of the season i.e. up to September 30, 2018 at 416 lakh bales of 170 kg each, which includes opening stock of 36 lakh bales at the beginning of the season. The CAI has estimated domestic consumption for the season at 324 lakh bales while the exports are estimated to be 70 lakh bales. The carry-over stock at the end of the 2017-18 season is estimated by the CAI at 22 lakh bales.

Tight supply to keep cotton prices in India firm in FY19

- Cotton prices in India are likely to stay firm during the next fiscal following the tight demand-supply scenario, India Ratings and Research (Ind-Ra) recently said in a report. Supply constraints may arise from lower fibre production this season due to pests, acreage drop in the next season and adverse weather in other key cotton-growing nations, it said. However, the expectation of firming prices may encourage farmers to sow and arrest the acreage contraction, a news agency reported citing the report. The cotton season in India starts in October. Global cotton consumption is likely to be strong due to a robust domestic demand in India and rise in exports on account of the anticipated stock rebuilding by China, it said. The next cotton season may see higher minimum support prices (MSPs) for cotton in India. However, cotton prices may trade higher than MSP, limiting government intervention, it added. This is primarily because a sustained demand from the end-user segments will allow manufacturers to pass on the price rise, it said. Synthetic textile players are, however, expected to see a material margin contraction during the next fiscal, due to their inability to pass on the price rise of crude oil-based raw materials, owing to the prevailing overcapacity domestically. That may worsen due to rupee depreciation as raw material is procured at the import parity price. Within the synthetic segment, exporters and integrated players will be better placed to absorb a higher input cost, while standalone spinning units might be the most impacted, the report said. Textile dyes and chemical prices are likely to remain high, exerting margin pressure, it added.

LABOUR

Social Security Code may let workers choose Pension, PF & Health Schemes

- The Government is mulling a bouquet of schemes to deliver pension, provident fund and health insurance benefits for all workers in the country, including self-employed and agricultural workers – to choose from, under the social security code being finalized by the Labour Ministry. These schemes could either be government run or have private players operating in areas of pension, insurance and provident fund, said a senior government official. Under the proposed scheme, all subscribers under universal social security will have to mandatorily choose at lease one from multiple schemes on offer on the three benefits that labour ministry plans to cover in the first phase, the official said. Besides it will retain the identity and originality of all existing schemes including the EPF and EPS. Once the social security code comes into being, subscribers will have a choice to either continue with their existing schemes or migrate to another scheme with his/ her entire fund kitty after evaluating the returns on each scheme under a given benefit. For instance, pension benefit could be availed from subscribing to Employees Pension Scheme, National Pension Schme or any other pension scheme offered by a private player picked up by the government. Likewise, the options being explored for provident fund include the contribution towards EPF, PPF or GPF while insurance could be availed by subscribing to Employees Deposit Linked Insurance (EDLI) Scheme, Employees' State Insurance (ESI) Scheme or any other Scheme run by a private player chosen for the purpose. While this would give flexibility to the subscribers, it is also expected to substantially bring down compliance cost for employers. Employers will need to file only one compliance for one account under the social security code, while at present an employer has to file separate compliances for EPFO, ESIC and medical insurance for all its employees. It would be a significant departure from the existing scenario where all people in the organized sector are entitled to mandatory deduction from salary towards contribution to provident fund, pension and insurance scheme under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 (EPF & MP Act).

PRESS RELEASE

SIMA urges PSF and TMC schemes to double cotton farmers' income

- The Cabinet Committee on Economic Affairs chaired by the Hon'ble Prime Minister, Shri Narendra Modi has approved increase in Minimum Support

Price (MSP) to the tune of 28.11% for medium staple cotton and 26.16% increase for long staple cotton for the season 2018-19. Accordingly, the MSP for medium staple cotton per quintal has been increased from Rs.4020/- to Rs.5150/- and in respect of long staple cotton, it has been increased from Rs.4320/- to Rs.5450/- per quintal. The Cabinet has also approved various farmers' friendly initiatives apart from the MSP of kharif crops.

In a Press Release issued at Coimbatore on 5th July, Mr.P.Nataraj has hailed the proactive and historical initiatives taken by the Hon'ble Prime Minister to strengthen the agriculture sector that would greatly benefit the cotton farmers. He has said that though the steep increase in cotton MSP would largely benefit the farmers, it would have some impact on the industry and would increase the clothing cost of the masses of the Nation. It might also affect the cotton exports if Indian cotton prices rule above international prices. SIMA Chairman has appealed to the Hon'ble Prime Minister to exercise cotton MSP operation under Direct Benefit Transfer System (DBT) and revamp the role of Cotton Corporation of India so as to benefit the farmers and the industry equally. Mr.Nataraj has said that India has become the largest cotton producer in the world since 2015-16 surpassing China and USA and became the net exporter of cotton. He has said that India accounts 36% of world cotton acreage by covering 11.80 million hectares and estimated to produce 6290 million kgs and export 1190 million kgs of cotton during the season 2017-18. He has further stated that 2.3 crore farmers are currently cultivating cotton. SIMA Chief has stated that due to 5% to 10% price advantage when compared to international price, home grown cotton has been the engine of growth for the textile industry, the second largest employment provider next only to agriculture. Consequent to the removal of cotton from Essential Commodities Act from February 2007, few multinational cotton traders started dominating cotton economy by covering large volume of cotton during peak season (December to March -75% cotton arrives market) with 2% to 3% fund cost and hedging facilities. Indian cotton textile industry, predominantly MSMEs in nature, which is provided with three months working capital, 25% margin money and 12 to 14% interest, is not able to compete with the multinational traders and invariably pay 10 to 25% higher cost for the home grown cotton during off season (May to October). SIMA Chief has stated such price volatility in cotton prices has often been eroding the working capital and profit margins of the industry and restricting the growth rate between 6% and 8% as against the potential growth rate of 12% to 16% as predicted by many studies. Based on the recommendations made by the industry four years back, the Government actively considered announcing 5% interest subvention for cotton inventory and also liberal credit limit and reduced margin money says, Mr.Nataraj. SIMA Chairman strongly felt that cotton Price Stabilisation Fund (PSF) scheme consisting of 5 to 7% interest subvention, 10% margin money and nine months credit limit would enable the spinning mills and CCI to compete with the multinational cotton traders and cover the cotton during peak season. This would enable the farmers to fetch better price, avoid MSP operations, prevent cotton hoarding and speculation and enable the industry to achieve its potential growth rate of 12 to 16% as against the current growth rate of 6 to 8%. PSF would also bring more GST revenue, boost exports and create more employment opportunities due to increased growth rate of the industry, says, Mr Nataraj.

Mr.Nataraj said that India could become largest producer of cotton taking advantage of Technology Mission on Cotton (TMC) that existed between 1999 and 2002 and also the introduction of Bt Cotton. He has stated that TMC has not been extended and the farmers are suffering with spurious seeds, lack of seed technology, agronomy research, lack of technology transfer, quality deterioration at ginning stage (admixture of waste cotton, inferior quality cotton, high trash, contamination, high moisture content, etc). Mr.Nataraj has urged the Hon'ble Prime Minister to approve TMC-II proposal already submitted by the Ministry of Textiles. He has urged to constitute a Task Force comprising of various stakeholders under Ministry of Agriculture and Textiles, prepare a detailed report based on the recommendations already made by Dr K R Kranti, former Director, CICR bench marking the Best Global Practices. Mr.Nataraj has stated that country's productivity per hectare is stagnated at 500 to 550 kgs per hectare as against over 1500 kgs per hectare achieved by around 20 countries across the world and countries like Australia is able to achieve over 2200 kgs per hectare. He has stated that the quality of Indian cotton is much inferior when compared to imported cotton and therefore both the farmers and the industry are suffering seriously. Therefore, Price Stabilization Fund Scheme (PSF) and Technology Mission on Cotton (TMC) with revised format are the need of the hour to make the Indian cotton farmers to double their income and the industry to double its business size and exports by 2022 as envisaged by the Hon'ble Prime Minister.

JUDGEMENTS

Arbitration aware must give reasons

The Delhi High Court set aside part of the Award of a three-member arbitral tribunal because it did not provide reasons for the conclusion. In this case, National Highway Authority of India Vs Hindustan Construction Co., there were disputes over payment in the contract to build Lucknow-Muzzaffarpur Highway. The Tribunal rejected the NHAI claim of interest on recovery mobilization and equipment advance and allowed the counter claim of Hindustan Construction. But the award did not contain reasons, which was contrary to Section 31(3) of the Arbitration and Conciliation Act. The Court emphasized that "it is the fundamental policy of Indian law that all decisions must be informed by reasons, however brief".

ST - When service tax is paid by mistake, a claim for refund cannot be barred by limitation: HC

CHENNAI, JULY 09, 2018: THE appellant rendered export services to its client *Alpin Management Partners* , *USA* , and paid a total sum of Rs.9,72,458/- as service tax during the financial year 2015-16. Out of this amount, a sum of Rs.4,39,683/- was paid on **07.04.2015** .

Later, the appellant realised that under Rule 6A of Service Tax Rules, 1994, they were not required to discharge any Service Tax liability and, hence on **30.06.2016** made a representation for refund of the tax paid.

The Assistant Commissioner allowed the refund of Rs.5,32,772/- but disallowed the claim of Rs.4,39,683/- on the ground that it was time barred u/s 11B of the CEA, 1944.

The Commissioner(A) as well as CESTAT upheld this order and, therefore the appellant is before the Madras High Court.

The High Court observed that the apex court in *ITC Ltd. (1993) Supp. IV SCC 326* has held that when the tax has been paid under mistake of law, it would not be just to hold that such claim is hit by laches of limitation and furthermore the High Courts in the cases of Oil and Natural Gas Corporation Ltd. - **2017-TIOL-822-HC-AHM-CX**, *Joshi Technologies International, INC-India Projects* - **2016-TIOL-1240-HC-AHM-CX** & Parijat Construction - **2017-TIOL-2170-HC-MUM-ST** have held that - Limitation prescribed u/s 11B of the CEA, 1944 is not applicable to refund claim in respect of service tax paid under a mistake of law.

It was held -

+ The claim of respondent in refusing to return the amount would go against the mandate of Article 265 of Constitution of India, which provides that no tax shall be levied or collected except by authority of law.

+ When service tax is paid by mistake, a claim for refund cannot be barred by limitation merely because the period of limitation under Section 11B had expired. Such a position would be contrary to the law laid down by the Apex Court and, therefore, we have no hesitation in holding that the claim of the Assessee for a sum of Rs.4,39,683/- cannot be barred by limitation, and ought to be refunded.

+ If the Revenue is allowed to keep the excess service tax paid, it would not be proper and against the tenets of Article 265 of the Constitution of India.
Accordingly, it was directed that -

+ The Application under Section 11B cannot be rejected on the ground that it is barred by limitation, provided for under Section.

+ The claim for return of money must be considered by the authorities.
The Civil Miscellaneous Appeal was disposed of accordingly.

I-T - Deduction u/s 10B(1) cannot be restricted merely because third party through which export has been made is not 100 % EOU: HC

BENGALURU, JULY 02, 2018: THE issue before the Bench is - Whether benefit of deduction u/s 10B(1) can be restricted merely because the third party, through which the export has been made by the assessee, is not a 100% Export Oriented Unit. **NO is the answer.**

Facts of the case

The Revenue had preferred an appeal challenging the order passed by the Tribunal wherein, it was held that the assessee was entitled to the deduction u/s 10B in respect of its profits and gains from its business. The assessee, a 100% Export Oriented Unit (EOU) for the AYs in respect of the 'deemed export of goods' made by it during the period under consideration through a third party.

The High Court held that,

++ the provisions in the I.T.Act, 1961, in Chapter-III providing for "Incomes which do not form part of total income", in the series of Sec. 10A (Special provision in respect of newly established undertakings in free trade zone) Sec. 10AA (Special provisions in respect of newly established Units in Special Economic Zones), Sec. 10B (Special provisions in respect of newly established 100% EOU), Sec. 10BA (Special provisions in respect of export of certain articles or things), Sec. 10BB (Meaning of computer programmes in certain cases), Sec. 10C (Special provision in respect of certain industrial undertakings in North-Eastern Region). All the said provisions were intended to provide for incentive or benefit of exemption or deduction from the total income in respect of profit and gain earned by the undertaking of the specified nature falling in the specified category as specified in these provisions. The substantive terms of these provisions are in pari materia defining the criteria for specification of the units or nature of assessee, who will be entitled to such deduction viz. SEZ, 100% EOU, North-East India Territory, subject to fulfillment of certain other conditions as well;

++ Sec. 10(2) only determines the eligibility of the unit in question, while Sec. 10B(1) is the main provision which grants the deduction in respect of profit and gains to the assessee-unit in question. It is true that the assessee unit in question in order to be entitled to avail the benefit of Sec. 10B has to be a manufacturing unit and it cannot be merely a trading house, but on a plain reading of sub-section(1) the deduction u/s 10B cannot be restricted to the goods manufactured or produced by the assessee-unit himself or itself. There is no restriction imposed u/s 10B(2) on the quantum of deduction eligible u/s 10B(1) with reference to export of goods manufactured by unit itself. The purpose of sub-section (2) is only to ensure that the conditions of unit not formed by splitting up of a new industrial unit and which is engaged in manufacturing of goods and articles is satisfied by the assessee in question. We do not see any restriction of export of goods purchased from the domestic units also by the assessee to be included for the purpose of deduction u/s 10B(1);

++ in the present case, according to the Revenue, the entity through whom the export has been made by the assessee is not 100% EOU and therefore, the benefit of Sec. 10B should be denied to the assessee before this Court. We do not find any good reason to take a narrow and pedantic approach in construing the words "by an Undertaking" and restricting the benefit u/s 10B only in respect of the direct export of such goods manufactured by such Unit as contended by the Counsel for the Revenue. If the Parliament intended to put any restrictive meaning for curtailing the said deduction, such words could be employed in sub-section(1) itself, which could have excluded 'Deemed Export' from the ambit and scope of word 'export' employed in Sec. 10B(1). The Explanation defining 'Export Turnover' in both these provisions does not make any such distinction between the 'Direct Export' and 'Deemed Export';

++ for a harmonious reading of these provisions of the Act which are undoubtedly beneficial provisions, the word 'export' read with the background of Exim Policy of Union of India would certainly include 'Deemed Export' also within the ambit and scope of the 'Export Turnover' as explained in Explanation-2 of sub-section (9A) of the said Sec. 10B. Therefore, the contentions raised by the Counsel for the Revenue to restrict the deduction in the hands of the assessee by excluding the 'Deemed Exports', does not have any merit and the said contention deserves to be rejected and the same is accordingly rejected. The Revenue before us was unable to establish that both the assessees before us and the entity through whom such export was made by the assessee for the period in question, have claimed any double or repetitive benefit u/s 10B for the same transaction of export.

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	13.07.2018	06.07.2018	29.06.2018	22.06.2018	15.06.2018	09.06.2018	02.06.2018
ICS-101 (Bengal Deshi (RG) / Assam Comilla)	44800	44800	44800	44800	44800	43200	43200
ICS-201 (Bengal Deshi (SG))	45300	45300	45300	45300	45300	43700	43700
ICS-102 (V-797)	31600	31300	31500	30400	30100	29600	28000
ICS-103 **(**Jayadhar)	36300	36200	35900	35300	35300	35000	33700
ICS-202 (J-34)	46700	46100	45800	45200	46100	45400	44200
ICS-105(LRA-5166)	46900	46200	46000	45600	46500	45800	44600
ICS-105 (H4-Mech 1 - Guj)	46500	45300	45800	44600	45700	44500	43300
ICS-105 (Shankar – 6 (Guj))	48000	46700	47000	46500	47100	45900	44500
ICS-105 (Bunny / Brahma)	48900	48000	48500	47100	47700	47000	45500
ICS-107 (DCH 32)	62000	61500	61000	59700	59900	58900	57800

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

Cotton Yarn (Rs/Kg – Taxes Extra)

Count	13.07.2018	06.07.2018	29.06.2018	22.06.2018	16.06.2018	09.06.2018	02.06.2018
Hank Yarn							
20s	219	219	219	219	219	219	190
30s	236	236	236	236	236	236	210
40s	259	259	259	259	259	259	233
60s K	254	254	254	254	254	254	254
60s C	327	327	327	327	327	327	327
80s C	401	401	401	401	401	401	382
Cone Yarn							
20s	215	215	215	215	215	215	190
30s	220	220	220	220	220	220	200
40s	225	225	225	225	225	225	208
60s K	284	284	284	284	284	284	255
60s C	315	315	315	315	315	315	280
80s C	377	377	377	377	377	377	354

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

CIRCULARS ISSUED DURING THE FORTNIGHT

Sl. No	Cir.No	Date	To	Subject
1)	202/2018	2.7.2018	All Member Mills	Exemption for the payment of GST under RCM for an intra-state purchase from URP upto Rs.5,000/- per day further extended – reg
2)	203/2018	2.7.2018	All Member Mills	Submission of application seeking authorization for import/export of restricted items through e-mail - reg.,
3)	204/2018	2.7.2018	All Member Mills	Amendment in Foreign Trade Policy 2015-20 - reg.,
4)	205/2018	2.7.2018	All Member Mills	Notifying office address of DGFT and its Regional Authorities and their Jurisdiction and Private SEZs of Appendix 1A of Foreign Trade Policy 2015-20 – reg
5)	205-A/2018	2.7.2018	Member Mills in Tamil Nadu	Postponement of Automated Meter Reading (AMR) implementation project by TANGEDCO- CE/NCES letter - reg
6)	206/2018	2.7.2018	All Member Mills	Points for Grievance Redressal Committee Meeting scheduled to be held on 19.07.2018
7)	207/2018	2.7.2018	All Member Mills	Amendment in the Para 9.03 of the Handbook of Procedures 2015-20 for Chapter 3 Scrips – reg
8)	208/2018	2.7.2018	All Member Mills	Revised ANF 3B for application under Services Export from India Scheme (SEIS) - reg.,
9)	209/2018	3.7.2018	All Member Mills	Weekly cotton prices for 25.6.2018 to 30.6.2018 – reg
10)	210/2018	3.7.2018	All Member Mills	Present Labour crisis – Requesting the support of the Textile Ministry Labour strength inputs from the member mills – request – reg
11)	211/2018	4.7.2018	All Member Mills	Minutes of Stakeholders Meeting on Natural Fibres held on 23.6.2018
12)	212/2018	4.7.2018	All Member Mills	Preventive Health Checkups for workers covered under ESI- Press release – reg
13)	213/2018	4.7.2018	All Member Mills	Submission of Annual & Monthly Statistical Returns through online
14)	214/2018	4.7.2018	All Member Mills	Communication received from PMO
15)	215/2018	6.7.2018	All Member Mills	Study on Alternate Scheme for Export promotion – reg

16)	216/2018	7.7.2018	All Member Mills	Registration of Textile Units in TSRS portal – reg
17)	217/2018	7.7.2018	All Member Mills	High Court stay on RBI Circular
18)	218/2018	10.7.2018	All Member Mills	Half a day Programme at Madurai on “EPF – Awareness on e-initiatives & Portal Support” – participation – nomination request - reg
19)	219/2018	10.7.2018	All Member Mills	Weekly cotton prices for 2.7.2018 to 7.7.2018 – reg
20)	219-A/2018	10.7.2018	Member Mills in Tamil Nadu	Proposal for partnering with the Sunrise State: Andhra Pradesh
21)	219-B/2018	10.7.2018	Member Mills in Tamil Nadu	Draft reply to be sent to the concerned SE, EDC in respect of the demand notice received by the members calling for the balance sheet, Auditor certificate etc., – reg
22)	219-C/2018	11.7.2018	Member Mills in Tamil Nadu	Issue of G.O - Implementing the ban on the production, storage, usage etc., of one time use and throw away plastics in the State of Tamil Nadu – reg.
23)	219-D/2018	12.7.2018	Member Mills in Tamil Nadu	Wind and Solar grievance Meeting at SE’s chamber Udumalpet on 17/07/2018 – reg
24)	220/2018	12.7.2018	All Member Mills	Hank Yarn Obligation Scheme – Reply from Office of the Development Commissioner for Handlooms
25)	220-A/2018	12.7.2018	Member Mills in Tamil Nadu	Draft reply to be sent to the concerned SE, EDC in respect of the payment of meter rent (including GST) , – reg.
26)	221/2018	13.7.2018	All Member Mills	Public Procurement (Preference to Make In India) to provide for purchase preference (linked with local content) in respect of textile sector – reg
27)	222/2018	14.7.2018	All Member Mills	Submission of Statistical Returns on the Textile Statistical Returns System (TSRS) – reg
28)	222-A/2018	14.7.2018	Member Mills in Tamil Nadu	Consumer Price Index Numbers - Chennai City – May 2018
29)	222-B/2018	14.7.2018	Member Mills in Andhra Pradesh and Telangana	Consumer Price Index Numbers - All India – May 2018