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NEWS HIGHLIGHTS

- ❖ **TAMILNADU GOVT TO CONDUCT GLOBAL TEXTILE EXPO IN JANUARY 2019**
- ❖ **PM LAUNCHES HISTORIC SUPPORT & OUTREACH INITIATIVE FOR MSME SECTOR**
- ❖ **SIMA REQUESTS ACCREDITATION FOR GUIDELINES FOR WOMEN EMPLOYMENT IN TEXTILE MILLS**
- ❖ **CAI LOWERS 2018-19 COTTON CROP ESTIMATES TO 343 LAKH BALES**

REPRESENTATIONS

- ❖ The Association has sent a representation dated 10.11.2018 to the Chief Engineer / NCES, TANGEDCO, Chennai, requesting to change the priority of adjustment in the instruction Memo dated 25.10.2018. It may be noted that consequent to the Order of Hon'ble TNERC dated 13.4.2018 with regard to wind energy, CE (NCES) issued working instructions for the implementation of the wind energy Order No.6 of 2018 issued by the Hon'ble Regulatory Commission. In this, under para 20, CE, TANGEDCO had mentioned about the adjustment priority and payment of unutilized banked energy. Accordingly, when the consumers have wheeled energy for the adjustment from more than one wind mill, the priority for adjustment is given to the wind mills considering the higher wind tariff.
- ❖ The Association has made a representation dated 15.11.2018 to the Chairman and Managing Director of TANGEDCO, Chennai requesting to bring Thappakundu Sub-station into operation. Though the Sub-station was commissioned, it is not made operative. Hence, the Association sent the representation.
- ❖ In a separate representations dated 15.11.2018 sent to Mr.Sunil Paliwal, IAS., Principal Secretary to Govt., Govt of Tamilnadu, The Director, Directorate of Industrial Safety & Health and the Commissioner of Labour, Chennai, the Association requested for accreditation of SIMA Code/Guidelines for employment in textile industry (version 2.0). It was mentioned that SIMA had entered into a MoU with British Standard Institution, a certifying body, in this connection.

TEXTILE SCENE

Tamilnadu Global Textile Expo (TEX TN 2019) January 27-29, 2019 at Coimbatore

- ❖ Hon'ble Chief Minister of Tamilnadu has announced on the floor of the Tamilnadu Legislative Assembly Rule 110 that a Global Textile Expo will be conducted by the Government of Tamilnadu at CODISSA Trade Fair Complex, Coimbatore to encourage further development of textile industry in Tamilnadu at a cost of Rs.2 crores. Accordingly, the TEXTN Global Textile Expo is to be conducted during January 27-29, 2019 at CODISSIA Trade Fair Complex, Coimbatore. In this regard, the Curtain Raiser event of the Global Textile Expo was conducted on 26th October 2018 at Hotel Le-Meridien, Coimbatore and all the Export Promotion Councils and textile Associations in Tamilnadu have been requested to book stalls in the Expo and also bring prospective overseas buyers as well as domestic buyers. In this connection, Government of Tamilnadu vide its communication Rc.No.13944/2018/B1 dated 9.11.2018 has advised SIMA to manage the event and coordinate with all textile mills, various textile Associations in Tamilnadu and also the export promotion councils and make the event a success. Coinciding the event, Cotton Textiles Export Promotion Council (TEXPROCIL) and Powerloom Development Export Promotion Council (PDEXCIL) have also come forward to conduct Reverse Buyer-Seller Meet and obtained necessary grant from the Ministry of Commerce & Industry. These Councils are planning to bring large number of overseas buyers to the Expo. Other export promotion councils like Apparel Export Promotion Council (AEPC), Synthetic Rayon Textile Export Promotion Council (SRTEPC), Tirupur Exporters' Association & Karur Textile Manufacturer Exporters' Association and other organizations are also planning to bring overseas buyers. Textile mills may also send the details of key buyers from various countries and also the local buyers so as to enable Government of Tamilnadu and SIMA to send suitable communications to them requesting to visit the Expo. SIMA has proposed to commence the stall allotment from 19th November 2018. The Government of Tamilnadu has fixed Rs.4,000/- per sq.mtr for organized sector and Rs.2,000/- for unorganized sector plus GST @ 18%. A detailed circular No.323/2018 dated 15.11.2018 has been sent to all textile mills. For further details, textile mills may contact Mr.D.Suresh Ananda Kumar, Secretary (Mobile No. 97904 66668) and for stall booking, they may please contact Mrs.R.Sivagama Sundari, Joint Secretary (Mobile No. 99524 32669).

India's cotton textile export grows by 26% in Apr-Sept

- ❖ India's textile-clothing exports fell by 3 per cent and that of readymade garments dropped by 16 per cent from April to September, according to the Cotton Textiles Export Promotion Council (TEXPROCIL). Exports of cotton textiles--raw cotton, yarn, fabrics and made-ups—grew by 26.8 per cent touching \$6,235 million compared to \$ 4,917 million in the same period last year. Speaking recently at the TEXPROCIL Export Awards 2017-2018 function in Mumbai, chairman Mr.Ujwal Lahoti said the ongoing US-China

trade war would possibly open up new opportunities for cotton textile exports from India, according to a press release from the organization. TEXPROCIL presented 56 awards in 32 categories this year. The Indian government is also in the process of putting in place alternate schemes, expected to be compatible with World Trade Organization regulations, to promote exports that would improve the competitiveness of products, Mr.Lahoti added

37.1% growth in khadi fabric production in India in 4 yrs

- ❖ Khadi fabric production in India saw an average jump of 37.1 per cent in the last four years from 103.22 million square metres to 141.52 million square metres, according to the Khadi and Village Industries Commission (KVIC). The rise followed KVIC's encouragement of registration of new khadi institutions and artisan-centric programmes beginning 2015. The programmes include distribution of 31,000 new model charkhas (spinning wheels) and 5,600 modern looms. KVIC rolled out 376 new khadi institutions and added 38,684 new khadi artisans during the same period. This resulted in an average jump of 61 per cent in khadi fabric production's share with respect to overall fabric production in the last four years.

PM Launches Historic Support and Outreach Initiative for MSME Sector

- ❖ The Small, Micro and Medium Enterprises hitherto were classified based on the investments made on the Building, Plant & Machinery. But the Government of India made an attempt to change the base from the investments on Plant & Machinery to turn over under Section 7 of the MSMED Act 2006. In this regard, during February 2018, the Cabinet gave approval for changing the new classification. Accordingly, the turnover upto Rs.5 crores in a year is considered as a Micro Units and in respect of small enterprises, the turnover is ranging above Rs.5 crores and upto Rs.75 crores. In respect of medium enterprises, it is above Rs.75 crores and upto Rs.250 crores. Under these circumstances, Hon'ble Prime Minister, Shri Narendra Modi, launched a historic support and outreach programme for the Micro, Small and Medium Enterprises (MSME) sector. As part of this programme, the Prime Minister unveiled 12 key initiatives which will help the growth, expansion and facilitation of MSMEs across the country. The 12 key initiatives are as follows:-

1. Loan upto Rs.1 Crore within 59 Minutes online portal;
2. Interest subvention of 2% for all GST registered MSMEs on fresh and incremental loans. For exporters, who receive loan in pre-shipment and post-shipment period will get increase in interest rebate ranging from 3% to 5%;
3. All Public Sector units and companies above Rs.500 crore turnover to upload all supply invoices on trades platforms which will count MSME receivables against which banks give Bill discounting facilities, online complaint portal for MSME invoice payment delay;

4. All Public Sector units to buy 25% from MSMEs; increase of 20% of their total purchase;
5. Public Sector units to buy 3% from women MSMEs;
6. All Central Public Sector units to buy government GEM purchase portal;
7. Rs.6,000 crores for 100 technology training and upgrade centre for MSMEs;
8. 70 clusters for Pharma MSMEs, 75% cost by Central Government;
9. Eight Labour Law Returns only twice in a year;
10. Factory Inspector visit assignment through random computerization selection and online reporting within 48 hours;
11. Air Pollution and Water Pollution have been merged, single Consent Order is applicable. Further, self-certification is accepted and for minor violation, the employer need not move to the Court but can be corrected through simple procedure;
12. Companies Act amendment ordinance removing harsh punishment of delay etc., on small violation, 60% pending cases will out throw these amendments.

GLOBAL TEXTILE SCENE

Withdrawing EU GSP benefits may end 4 lakh jobs in Myanmar

- ❖ Apparel factories in Myanmar may close and around 400,000 workers turn jobless if the European Union (EU) removes Myanmar's trade benefits under the generalised system of preferences (GSP), business and labour leaders in the country recently cautioned. The concern is apparently more about the long-term impact of the proposed decision rather than the immediate fallout. The EU accounted for \$1.8 billion, i.e., 72 per cent, of Myanmar's garment exports last year. EU representatives recently met Myanmarese businessmen and labour union leaders in Yangon to discuss removing the country's preferential trade status, as a punitive measure for the failure of the government to resolve the humanitarian crisis in the Rakhine state, according to a Myanmarese newspaper report. U Naw Aung, vice chair of Myanmar Industries Craft and Services Trade Union Federation, who attended the meeting, said keeping in view the country's unstable labour sector, the decision would hit the garment sector the hardest and not the government or the military. People would go deeper into poverty, Naw Aung was quoted as saying. Another attendee U Khin Maung Aye, managing director of Lat War garment factory, said the proposed EU decision is being opposed because it has no connection with the country's political situation. According to the International Labour Organisation (ILO) and Myanmar Garment Manufacturers Association, the textile and garment industry in the country employs nearly 700,000 people – 90 per cent women –and generates \$2.7 billion in foreign exchange.

RAW MATERIAL FRONT

Azerbaijan may grow more coloured cotton if tests succeed

- ❖ If coloured cotton experiments show positive results, Azerbaijan may grow organic cotton in other colours, according to Imran Jumshudov, head of the state seed control service under the agriculture ministry. Brown and light-brown cotton varieties are being grown at present at the Regional Agrarian Scientific Information Centre of the Terter region. The coloured varieties were introduced by China in the country for its suitable climate. At present, the cotton in the experimental beds is at the stage of maturation, an Azeri news agency quoted Jumshudov as saying. Varieties of red, green, light pink and blue cotton are also available. These coloured cotton varieties are superior to local ones in quality and fibre fineness, he said. Cotton is produced production in the country in Saatli, Bilasuvar, Barda, Aghjabadi and Sabirabad.

CAI lowers 2018-19 cotton crop estimates to 343 lakh bales

- ❖ The Cotton Association of India (CAI) has lowered its estimate of the cotton crop for the 2018-19 season beginning from October 1, 2018, to 343.25 lakh bales of 170 kg each. The CAI's October estimate is lower by 4.75 lakh bales than 348 lakh bales announced at the Second Domestic Conference for 2018 held on October 6, 2018 in Aurangabad. The CAI has revised downwards the crop estimate for Gujarat by 2 lakh bales, Maharashtra by 1 lakh bales, Karnataka by 1 lakh bales and Orissa by 75,000 compared to its previous estimate due to unfavourable weather conditions. The projected total cotton supply during October 2018 is 50.13 lakh bales which consists of the arrival of 26.13 lakh bales during the month of October 2018, imports during October 2018 which the Committee has estimated at 1.00 lakh bales and the opening stock at the beginning of the season as on October 1, 2018 which the Committee has estimated at 23.00 lakh bales. Further, the Committee has estimated cotton consumption during October 2018 at 27 lakh bales while the export shipment of cotton during October 2018 has been estimated at 2.50 lakh bales. The stock at the end of October 2018 is estimated at 20.63 lakh bales including 16.53 lakh bales with textile mills while the remaining 4.10 lakh bales are estimated to be held by CCI and others (MNCs, traders, ginners, etc). The projected yearly Balance Sheet for the 2018-19 season drawn by the CAI estimates total cotton supply till end of the season i.e. up to September 30, 2019 at 390.25 lakh bales of 170 kg each which includes opening stock of 23 lakh bales at the beginning of the season and imports of 24 lakh bales which are estimated to be higher by 9 lakh bales compared to the imports figure of 15 lakh bales estimated for the 2017-18 crop year. The CAI has estimated domestic consumption for the season at 324 lakh bales while the exports are estimated to be 51 lakh bales which are lower by 18 lakh bales compared to 69 lakh bales during the last year. The carry-over stock at the end of the 2018-19 season is estimated at 15.25 lakh bales. During October, record breaking cotton arrivals were

witnessed as there were no rains during the last 60 to 70 days in the entire cotton belt of India. Due to the dry and hot weather, cotton bolls opened in early stages this year. Moreover, in the northern region, cotton was sold at Rs.4,500 per quintal same time last year whereas this year farmers are getting substantially higher price of about Rs.5,300 per quintal. Due to this, arrivals are considerably higher in October this year.

JUDGEMENTS

Ambiguity in arbitration clause

Certain clauses in contracts could be ambiguous despite them being drafted by experienced lawyers. The Bombay High Court was confronted with one such in its judgment, Jay Bhagwati Construction Co Vs Haware Engineers & Builders Limited. The clause stated “In case of any dispute, our Managing Director’s decision will be final and binding on both the parties any dispute shall be referred to arbitration or any court. “When disputes arose, one party wanted arbitration, while the other asserted that the above clause made the managing director’s decision final. If disputes persisted, there was an option to go for arbitration or court, it argued. The high court stated that the intention of the parties was clear and it provided for arbitration. The judgment added : “The Court has to encourage the parties to refer the dispute to arbitration and while interpreting an arbitration clause, it has to adopt a liberal approach.”

By not allowing exemption of IGST at time of import, no benefit in AA scheme is altered - choice of policy is for decision maker, Government, and not for Court: HC

CHENNAI, NOV 01, 2018: PRIOR to the introduction of GST on 01.07.2017, duty free exemption under Advance Authorizations (AA) issued, was available to most/all the duties leviable at the point of import and the same was governed by Notification No 18/2015-Customs dated 01.04.2015.

With the advent of the GST regime, the exemption to IGST/ Compensation cess portion of import duties leviable respectively under Sec 3 (7) and 3(9) of the Customs Tarrif Act got withdrawn to the AA holders. This change was given effect by Notification No 26/2017–Cus dated 29.06.2017 that amended the parent notification No. 18/2015-Customs.

For administrative exigencies, the relief in respect of this portion of taxes are extended as Input Tax Credits which can be utilized for paying taxes on finished goods or shall be drawn as refund in the event they are exported.

In other words, the full exemptions enjoyed by the petitioners against the AAs continued for all import duties at the point of import except for the GST Component of import duties, where the exemption is deferred to a later date. The new regime required the importers to first pay IGST at the time of Imports and then offset the same as Input Tax Credit if used in the manufacture.

Be that as it may, on 13.10.2017, vide notification No. 79/2017 the IGST exemption at the time of import was restored temporarily up to 31.03.2018 by suitable amendment to the parent notification No 18/2015-Cus that was further extended up to 30.09.2018 vide notification no 35/2018-Cus dated 28.03.2018. [Note that this exemption has been extended till 31.03.2019 by notification 66/2018-Cus.]

The restoring of the exemption to the IGST portion of import duties and taxes, however, was subject to two conditions viz.

- i. The export obligation shall be fulfilled by physical exports only.
- ii. That the exemption from IGST is subject to pre-import condition.

In effect, the exemption to IGST and compensation cess on imported goods under AAs was completely unavailable with the advent of GST regime and the same was temporarily restored for the period from 01.10.2017 to 30.09.2018 through an array of notifications issued under DGFT and Customs with conditions and with sun set clauses.

The petitioner contends that the aforesaid amendments are inter alia arbitrary, unconstitutional and violative of Article 14 of the Constitution of India and seek for quashing of the same.

The High Court considered the submissions and inter alia observed thus -

+ A harmonious reading of the above provisions together with the concepts of physical export and actual user condition indicate that pre-import simply means import of raw materials before export of the finished goods to enable the physical export and actual user condition possible and negate the revenue risk that is plausible by diverting the imported goods in the local market.

+ In the perspective of revenue risk, it is not out of place to point out that the eligibility of AAs is determined on the basis of SION Norms or self declaration of the licence holder which may not reflect the actual quantity of inputs gone into the manufacture of exported goods on a case by case basis.

+ A careful reading of the Foreign Trade policy indicates that the actual user condition or physical export is imposed with an intention not to allow diversion of imported raw materials to the local market apparently on the prudence that allowing the same is fraught with revenue risks.

+ Post export AA can act as a conduit for substituting local raw materials into manufacturing export goods and for diverting the imported inputs in the local market and that is sought to be negated by the flurry of the notifications issued consequent to the implementation of GST.

+ It is clearly the policy of the government and it is the same to all the tax paying assesses/exporters of the same class and not discriminatory.

+ The Advance Authorization scheme for post export benefits in the GST regime does not allow exemption from IGST at the point of import. While DFIA is specifically a post export scheme that is tailored to the likes of the petitioner.

+ It is not open for the petitioner to chose one scheme and insist the government to modify that scheme to its convenience . Least, the Court can be persuaded to interfere with the policy matters of the government, particularly when the government is better placed to take the decisions in the matter involving revenue risks.

+ What is disallowed to the petitioner and allowed to others of the same class should be demonstrated by the petitioner. That is the test for arbitrariness. The petitioners had no occasion to demonstrate their case in the test of arbitrariness.

+ Needless to mention, GST laws are a self contained legislations. The laws were promulgated after necessary constitutional amendments. The proposition that the GST levy subsumes the erstwhile levies of CVD and SAD in lieu of Excise duty and VAT can be of no avail to the petitioner. More so, the petitioner is estopped from claiming relief in view of Para 4.02 of the FTP that AAs are issued in accordance with the policies and procedures in force as on the date of the issue of Advance Authorization.

+ Even by not allowing exemption of IGST at the time of import, no benefit in the AA scheme is altered by the Government, though collateral costs get fastened on the petitioner and the likes by way of blockages in cash flow and attendant interest liabilities. And clearly, it is a matter of public policy. And rightly, the choice of policy is for the decision maker, in this case, the Government, to make and not for the Court . Nor has it been established before this court that the decision suffers from perversity, irrationality or arbitrariness.

The Writ Petitions were dismissed.

If MD is unable to file returns for company, then other Directors are equally responsible for fulfilling such requirement: HC

NEW DELHI, NOV 09, 2018: THE ISSUE BEFORE THE BENCH IS - Whether only the managing director of a firm cannot be saddled with the responsibility of filing returns for the firm & in case of inability of the managing director, other directors must fulfil such responsibility. NO IS THE ANSWER.

The bench also held that assessment proceedings were independent from criminal prosecution & defence that certain evidence was not considered during assessment cannot be made grounds to vitiate the prosecution. It also observed that the AO has the discretion to or not to penalize an assessee & whether non-imposition of penalty cannot imply that default by assessee is not wilful. The bench also clarified that an officer holding the rank of CIT or above are authorized to direct commencement of proceedings u/s 279(1) for offences committed u/s 276CC.

Facts of the case

The assessee company did not file returns during the relevant AY, in compliance with notice issued u/s 142(1). Such non-filing of returns was in breach of the requirements u/s 139(1). Thereafter, an assessment order was passed determining the assessee's income at about Rs 30.15 crores. Penalty proceedings were also initiated u/s 271(1)(c) for furnishing inaccurate particulars of income. Thereafter, the Department issued SCN proposing to prosecute the assessee for wilful failure to furnish returns of income. Thereafter, the jurisdictional ACIT concerned sought permission to prosecute the assessee company and the same was granted by the jurisdictional CIT. Thereafter, the ACMM passed an order for alleged offences u/s 276CC r/w Section 278B of the Act. The ACMM also took cognizance & commenced proceedings against the directors in the assessee firm. Hence the present petitions were filed, seeking that the order passed by the ACMM be set aside.

On hearing the petition, the High Court held that,

++ as is clear from the proviso to Section 279 (1) of IT Act, the prosecution can be initiated at the instance of the authorities superior to the assessing authority, they including officer of the level of CIT or even those above in hierarchy who are permitted to issue instructions or directions for institution of proceedings under Section 279 (1) which provision also governs the process relating to offence under Section 276 CC. There was no impropriety on the part of CIT, in this view, in issuing the show cause notice on 16.07.2014 followed by the grant of sanction for prosecution on 14.01.2015 it resulting in the criminal complaint being filed on 20.01.2015;

++ the submission that the fact that assessment order in the meanwhile had been passed on 30.03.2014 has not been taken note of or, for that matter, the submission that the filing of the income-tax return (ITR) on 28.03.2013 has been omitted from particular mention in the complaint, do not aid or assist the assessee in evading the criminal prosecution. The accusations against them in the criminal complaint relate to the offence under Section 276 CC of IT Act which is an offence that deals with "failure to furnish returns of income". There is no denial at this stage that there was indeed a failure to furnish return of income within the time stipulated under Section 139 (1) or in response to the notice under Section 142 (1). Whether or not there was justification for such default is a matter of defence which may be agitated during the trial. The assessment proceedings are independent of this matter and they would not come in the way of criminal prosecution;

++ considering mandate of Section 278E, it is clear from bare reading of the provision that whether or not the penalty as envisaged in Section 271 F is to be imposed, is a matter to be determined by the Assessing Officer/authority (DCIT) within the meaning of the section. He may direct such penalty to be paid and conversely, it would be correct to say, he may choose not to so direct for such penalty to be paid. At any rate, the omission on the part of the assessing officer to impose such penalty by itself does not mean that, in his opinion, the default was not wilful. To determine whether the default was wilful or otherwise, the explanation offered, may be in response to the show cause notice, will have to be seen and construed;

++ it does appear, on first blush, that the prime responsibility of furnishing the return of income of the company is of the managing director of such company. But then, it is not correct to read the provision so as to conclude that it is always or invariably the responsibility of the managing director alone and of no other. In a situation where the managing director may not be in a position to verify or submit the return of income, this on account of numerous reasons which may be presented as "unavoidable" and in case of such difficulties for the managing director to abide by the requirements of law on behalf of the company, the responsibility of other directors - the provision noticeably uses the expression "any director thereof"-cannot be ignored;

++ in answer to the show cause notice, there was no explanation offered for failure on the part of the managing director to furnish income-tax return. Whether or not there was any difficulty on the part of managing director would be a matter of his defence at the trial. It cannot be assumed at this stage that such would be his defence, but if such defence were to be presented, it would be the responsibility of the directors to explain the default. Be that as it may, there is no escape from the conclusion that the directors are also equally responsible for furnishing of return on behalf of the company as is the case of the managing director.

Mere maintenance of account showing total quantum of tax paid cannot be construed as availment of CENVAT: CESTAT

MUMBAI, NOV 13, 2018: THE appellant is a unit located in SEZ area and was availing the benefit of Notification No. 17/2011-ST and 40/2012-ST.

Where the services so received by the SEZ assessee are used for authorized operations and are wholly consumed within the SEZ area, the provider of such services or the receiver of such services on reverse charge basis, as the case may be, has the option not to pay the service tax ab initio instead of the unit claiming exemption by way of refund in terms of the notification.

Further, if the service tax stands paid, the SEZ unit would be entitled to the refund of such service tax paid by them in respect of the services utilized for authorized operations in the area. Such refund is subject to certain conditions. One such condition is that the unit will not take the CENVAT credit of the service tax paid on the specified services.

The appellant in the present case opted for the second mode of exemption i.e. filing of refund claim in respect of service tax paid by them on various services.

Incidentally, they were maintaining a record showing the quantum of service tax paid by them in respect of various services so received.

Since the assessee had reflected the said service tax in their ST-3 returns, Revenue entertained a view that they have availed the CENVAT credit of service tax so paid by them and as such, the condition of the notification stands violated by them.

Consequently, proceedings were initiated for denial of the refund claim, resulting in passing of the impugned order which is appealed against.

The appellant submits that they have merely maintained a record of the service tax so paid by them in respect of various input services and the so-called credit of service tax does not stand utilized by them thus satisfying the conditions of the notification.

The Bench considered the submissions and observed -

+ The question required to be decided in the present appeal is as to what exactly is the meaning of the expression "taken" appearing in sub-clause (g) of Explanation (2) appended to the notification [40/2012-ST] in question.

+ A mere maintenance of an account showing the total quantum of service tax paid by the assessee cannot be held to be availment of cenvat credit. The mere entries in such records which are not even prescribed statutory records, cannot lead to the inevitable conclusion that the assessee has taken the credit.

+ Similarly, the reflection of such account in the ST-3 returns so as to let the department know about the total service tax quantum earned by the assessee will also not amount to the fact that the assessee has taken and utilized the credit.

+ Not only that the appellant in their subsequent ST-3 returns has again shown the opening balance of such account maintained by them as zero and has reflected the total service tax earned by them in that period. The appreciation of all the above facts leads to only one inevitable conclusion that no CENVAT credit was availed by the assessee and as such, there was no violation of the condition of the notification.

+ Even the lower authorities in their impugned orders have nowhere disputed the fact that such amount of service tax reflected by them in their ST-3 returns was utilized by them.

+ The underlying crux of the notification is that double benefit of availment and utilization of the cenvat credit as also for refund of the same should not be granted to an SEZ unit.

Concluding that there is no justifiable reason to uphold the impugned order, the same was set aside and the appeal was allowed with consequential relief.

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	10.11.2018	03.11.2018	27.10.2018	20.10.2018	13.10.2018	05.10.2018	28.09.2018
ICS-101 (Bengal Deshi (RG) / Assam Comilla)	42800	43300	42800	42800	41900	40700	43800
ICS-201 (Bengal Deshi (SG))	43300	43800	43300	43300	42400	41200	44300
ICS-102 (V-797)	NA	NA	NA	NA	NA	NA	33000
ICS-103 (Jayadhar)	NA	NA	NA	NA	NA	NA	36500
ICS-202 (J-34)	NA	NA	NA	NA	NA	NA	43800
ICS-105(LRA-5166)	43700	44200	44300	43800	44700	42300	44000
ICS-105 (H4-Mech 1 - Guj)	NA	NA	NA	NA	NA	NA	45300
ICS-105 (Shankar – 6 (Guj))	46000	46500	46600	46600	46700	45000	46600
ICS-105 (Bunny / Brahma)	46700	46900	47100	46500	46800	NA	47200
ICS-107 (DCH 32)	57800	57800	57500	58100	58600	NA	58400

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

Source: CAI

Cotton Yarn (Rs/Kg – Taxes Extra)

Count	10.11.2018	03.11.2018	27.10.2018	20.10.2018	13.10.2018	05.10.2018	28.09.2018
Hank Yarn							
20s	219	219	219	219	219	219	219
30s	236	236	236	236	236	236	236
40s	259	259	259	259	259	259	259
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	401
Cone Yarn							
20s	220	220	220	220	220	220	220
30s	225	225	225	225	225	225	225
40s	230	230	230	230	230	230	230
60s K	285	285	285	285	285	285	285
60s C	315	315	315	315	315	315	315
80s C	375	375	375	375	375	375	375

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

CIRCULARS ISSUED DURING THE FORTNIGHT

Sl. No	Cir.No	Date	To	Subject
1)	310-A/2018	1.11.2018	Member Mills in Kerala	Consumer Price Index Numbers for August 2018
2)	311/2018	3.11.2018	All Member Mills	Requirement of machines by M/s. Sona Valliappa Textile Mills (P) Limited – reg
3)	311-A/2018	3.11.2018	Member Mills in Tamilnadu	Implementation of Automated Meter Reading (AMR) project by TANGEDCO on trial run basis from 15th November, 2018 - CE,NCES instructions - reg
4)	312/2018	5.11.2018	All Member Mills	PM Launches Historic Support and Outreach Initiative for MSME Sector - reg
5)	313/2018	8.11.2018	All Member Mills	Weekly cotton prices for 29.10.2018 to 3.11.2018 – reg
6)	314/2018	8.11.2018	All Member Mills	Workshop on GST Annual Return on 17th November 2018 at SIMA – reg
7)	315/2018	9.11.2018	All Member Mills	Draft Final Sub-Regional SAP-TBT Diagnostic Study for SASEC Countries – reg
8)	316/2018	9.11.2018	All Member Mills	Government of India proposal for providing 7 weeks maternity leave benefit incentives for the Employers' that provide Maternity Leave of 26 weeks to their women Employees – reg
9)	316-A/2018	10.11.2018	Member Mills in Andhra Pradesh and Telangana	Workshop on GST Annual Return at Guntur & Hyderabad– reg
10)	317/2018	12.11.2018	Managing Directors of All Member Mills	Complimentary delegate invitation to participate in the CITI Global Textiles Conclave 2018 – 27th & 28th November 2018/ New Delhi
11)	317-A/2018	13.11.2018	Member Mills in Tamilnadu	TANGEDCO Board proceedings for the erection of wind mills for better utilisation of wind resources - guidelines issued –reg
12)	318/2018	13.11.2018	All Member Mills	32nd National Convention of Textile Engineers on the theme "Technology Innovations and Value Added Products in Textile Supply Chain" - Invitation for Paper Presentation and / or Participation– reg
13)	319/2018	13.11.2018	All Member Mills	Draft proposal by the Ministry of New Renewable Energy (MNRE) on India Wind Turbine Certification Scheme – reg

14)	320/2018	14.11.2018	All Member Mills	Weekly cotton prices for 5.11.2018 to 10.11.2018 – reg
15)	321/2018	14.11.2018	All Member Mills	Upcoming Job mela and skill exhibition at Munger (Bihar), Amethi (UP), Keonjhar (Odisha) and Mumbai - participation confirmation - reg.
16)	322/2018	14.11.2018	All Member Mills	Annual Return under GST – Last date is 31.12.2018 – reg
17)	322-A/2018	15.11.2018	Member Mills in Tamilnadu	Consumer Price Index Numbers - Chennai City – September 2018
18)	322-B/2018	15.11.2018	Member Mills in Andhra Pradesh & Telangana	Consumer Price Index Numbers - All India – September 2018
19)	323/2018	15.11.2018	All Textile Mills	Tamilnadu Global Textile Expo (TEX TN 2019) to be held during January 27-29, 2019 at Coimbatore – Booking of stalls requested - reg