



Monthly Newsletter

HANDLOOM EXPORT

Vol. I No.10 Rs. 50

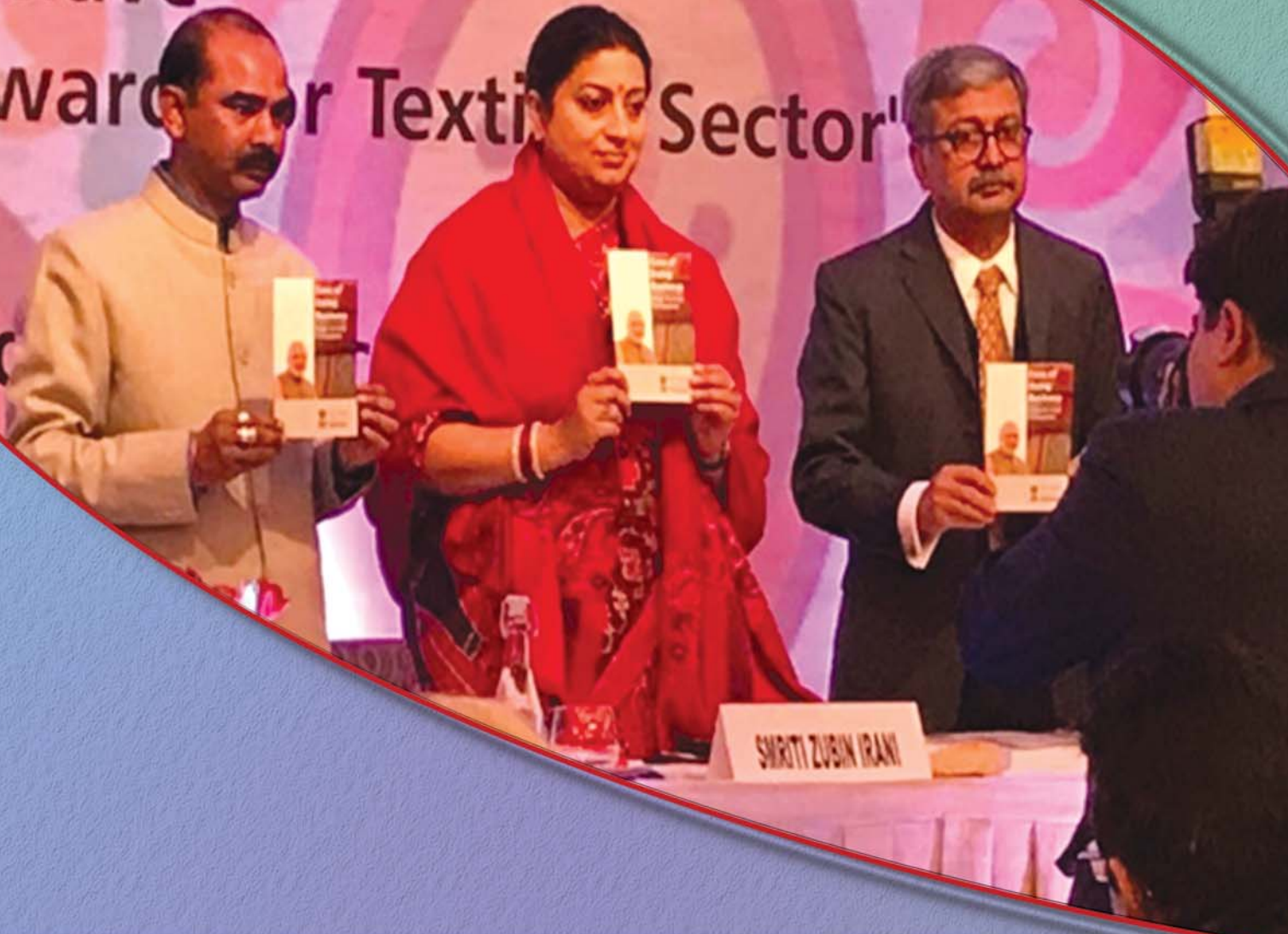
January 2019

Textiles
of India

conclave

forward for Textile Sector'

each



THE HANDLOOM EXPORT PROMOTION COUNCIL

Proposed Calendar of Events 2018 - 2019

Sl. No.	Name of the Event	Date	Status/Remarks*
1	Hong Kong International Home textiles& Furnishing Fair, Hong Kong	20-23 April 2018	Completed
2	Global Indian Festival, Kuala Lumpur	9 - 17 June 2018	Completed
3	India Home Furnishing fair, Japan	18 - 20 July 2018	Completed
4	Inter textile SHANGHAI home textiles, Shanghai	27-30 August2018	Completed
5	Sourcing at Magic,Las Vegas, USA	12-15 August 2018	Completed
6	India Trend Fair, Tokyo, Japan	19-21 September 2018	Completed
7	WHOS NEXT, Paris, France	7-10 September 2018	Completed
8	IHGF Delhi	October 2018	Completed
9	International Sourcing Expo, Sydney, Australia	20-22 November 2018	Completed
10	Heimtextil, Frankfurt, Germany	8-11 January 2019	Completed
11	Domotex, Hannover, Germany	11-14 January 2019	Completed
12	WHO's NEXT, Paris, France	18-21 January 2019	Completed
13	Sourcing at Magic,Las Vegas, USA	4-7 February 2019	Registration Open
14	Ambiente, Frankfurt, Germany	8-12 February 2019	Registration Closed
15	Domotex, Atlanta, USA	February 28-March2, 2019	Registration Open (Subject to space Confirmation)

* Status as on 31.01.2019



HANDLOOM EXPORT

Newsletter of Handloom
Export Promotion Council
January 2019 Vol.L No.10



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For Advertisement in this Newsletter
please contact the Council at hepc@hepcindia.com

Dear Members,

In the interim budget announced for the year 2019, the direct tax proposals will be key area where maximum tax payers are benefiting and it would bring cheer to the middle class salaried. Income support for the farmers is a progressive step by the union government. Telangana was the first to announce a similar income support scheme a year ago, followed recently by Odisha and Jharkhand. The additional 2% interest subvention for the GST registered MSME exporter is a positive move for the export industry.



With financial support from ministry, Council has participated in Heimtextil 2019 with 56 member exporters and as per feedback from the exhibitors, the spot orders worth Rs.31.27 cr. & enquiries worth Rs.69.15 cr. generated. Similarly, Council organised participation of 19 member exporter in Domotex 2019 and as per feedback from the exhibitors, the spot orders worth Rs.4.99 cr. & enquiries worth Rs.8.62 cr. generated.

Who's Next is an exclusive event which provides marketing platform for the product segment of clothing accessories viz. Stoles, Scarves & Shawls. Council participated in this event with 21 member exporters and spot orders worth Rs.3.71 cr. and enquiries worth Rs.3.24 cr. generated.

According to the source, Vietnam's textile and garment industry has become increasingly appealing to foreign investors who aim to seize opportunities arising from the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which came into effect in Vietnam on 14th January 2019. The companies based from German, USA, etc. are expanding their production network to Vietnam. Vietnam has also witnessed a wave of investment enquiries from China in recent months due to the ongoing trade disputes between China and the US. We need to increase our fabric exports to Vietnam especially cotton based since Vietnam don't have sufficient raw material source and fabrics are still imported.

Besides external changes in bilateral trade negotiation among competitor countries, Council is working on marketing support schemes to boost exports and policy support for the industry. I would like to call upon the industry to share their views, ideas and strategy to augment handloom exports and to keep our pace amidst global competitor.

With warm regards,



Dr. K.N. Prabhu,
Chairman

OUTREACH EVENT OF MINISTRY OF TEXTILES

Ministry of Textiles, Government of India has organized a two day event “Artisan Speak” and “Accomplishments and way forward for Textiles sector” on 5 & 6 January 2019. On this occasion awards to Weavers, artisans and Textile Research Associations and Fashion show was held on 5.1.19 at Lal Quila, Delhi. A day long Outreach event was held on 6.1.19 at Taj Mahal Hotel with formal inauguration of traditional lamp lighting by HMOT Smt. Smriti Zubin Irani, HMOST Shri Ajay Tamta and Secretary Textile Shri Raghvendra Singh.

On this occasion the following books were also released by them on “Market for Textiles & Clothing – National Household Survey 2017”, Achievements and Brochure on Ease of doing Business. The following four panel discussions with eminent Trade stalwarts were also held – Technical Textiles – Exploring new horizons, Ease of doing business – Journey so far, Hastkala – Celebration of Traditions and Access to global markets and supply chains.

The function concluded with presentation ceremony of stamps on GI registered Handicrafts and National awards to 17 outstanding achievers including in the field of Handlooms and Handicrafts, presided over by Vice President of India H.E. Shri M Venkaiah Naidu.

Chairman, Handloom Export Promotion Council Dr. K.N. Prabhu has attended the event on invitation from HMOT, among other eminent dignitaries invited for the event.





- R.P. Rajalingam

Name of the Event : Heimtextil – 2019
 Organizer : Messe Frankfurt
 Venue : Messe Frankfurt Exhibition GmbH
 Ludwig-Erhard-Anlage 1
 60327 Frankfurt a. M.
 Germany
 Hall No. : 10.3 , 1.1 & 1.2
 No. of exhibitors through HEPC : 56 + 1

About Heimtextil

Heimtextil is the biggest international trade fair for home and contract textiles and the global benchmark for quality design textiles of innovative functionality. The event is organised every year in January and is the annual starting buying season for manufacturers and trade visitors from all over the world. With its foremost global orientation, the event attracts visitors / exhibitors from all over the world. The event is organised by Messefrankfurt. Heimtextil has a stronger and more international slant than it has had for 15 years’. It is thus further consolidating its position as the world’s leading trade fair for home and contract textiles. Exhibitors and visitors accepted the new trade fair concept with great enthusiasm and confirmed the trade fair’s position as the world’s most important meeting place for the industry. The quality of the decision-makers impressed the exhibitors, as did the number of new business contacts from 156 countries, especially international ones thus enabling Heimtextil to set a new benchmark’

Facts & figures for Heimtextil 2019

67,216 trade visitors from across the world came to visit the leading international trade fair for home and contract textiles from 8 to 11 January 2019. Over 3,016 exhibitors presented their innovations during the trade fair.



Visitors' interest in product offer**	%
Decorative fabrics, curtains	39
Textile home accessories, cushions	33
Bed linen	32
Furniture fabrics, furniture leather	23
Wallpapers, wall coverings	22
Bathroom textiles	22
Trend Show Heimtextil (Trends 2019/2020)	20
Table and kitchen linen	18
Yarns, fibres	17
Carpets, flooring	16
Bedding/fillings, mattresses, bedding systems	16
Bedcovers, plaids	15
Contract textiles (Interior, Architecture, Hospitality)	14
Design studios, style bureaus	14
Digital print technology	14
Sun-protection systems	12
Tools and machinery for textile processing	10
Textiles and accessories for pets	7

**Several answers possible

Trend Space

In the newly designed “Trend Space” in hall 3.0, Heimtextil demonstrated how the various scenarios could be lived out. Here, the trade fair presented five trend themes that represent a combination of inspiration, interaction and knowledge transfer and showcased trailblazing projects and design initiatives..

The new “Trend Space” at Heimtextil convinced with interactive and tactile worlds of experience. Visitors were playfully inspired, involved and motivated to get to grips with futuristic.

An overview of Heimtextil trends 2019/2020: PURSUE PLAY

In an era of uncertainty, political instability and environmental problems, we satisfy our need for optimism and creativity with play. Playing helps us to find meaning in the midst of chaos and turbulent times. Designers thus playfully

focus on uninhibited, tactile interactions and experiments. Daring, cheeky product, room and fashion designs are loosened up with a touch of humour. Shapes and colour palettes take on a surrealistic note and the concept of L’art pour l’art once again commands attention. The use of rich primary colours is playful and naive, while the combination of high-gloss and matt textures creates a palatable visual appeal. Abstract forms, bold play with patterns and exuberant textures challenge us to be imaginative and invent our own stories.

SEEK SANCTUARY

In the midst of our intense, hyper-connected everyday life, more and more people are looking for ways to “cut off” all connections – for utopian havens of peace amidst all the noise. They retreat to urban oases where they can switch off to find relaxation, a new perspective and clarity. However, this essentialism does not mean that we have to categorically reject products. Rather, is it about the targeted search for and appreciation of design pieces and concepts that are simple, beautiful, functional and high quality. The combination of a minimalist colour palette with carefully selected structural details, curvy shapes and upholstery gives rise to comfort and warmth.

GO OFF-GRID

The search for a new closeness to nature leads to a hankering for experiences beyond a networked everyday life. It is an attempt to live more naturally, to return to the origins of humanity and to live in harmony with nature – and not against it. It is about cross-border experiences in remote locations, supported by high-tech survival equipment. The combination of hard-wearing technical aspects of outdoor textiles and workwear requires a sophisticated, utilitarian aesthetic and promises durability and functionality. Colours and patterns inspired by nature celebrate the supposed “imperfection” of the natural.

ESCAPE REALITY

A new utopia can be rooted in both the digital and the real. The potential of virtual and extended reality blurs the boundaries between fantasy and reality. We are working on a technology that enables deeper and more lasting experiences in daily life. Shimmering, iridescent surfaces have a transformative and optimistic quality, are transformed by movement and create a fleeting, intangible form of motion. Mother-of-pearl effects and high gloss create a unique dynamic in designs that seem to achieve the impossible by appearing fluid and in suspension as a solid form that could literally dissolve at any time. Ethereal combinations of light pastel shades create a surrealistic, hyper-real mood.

EMBRACE INDULGENCE

High-quality materials and rich colours, a modernist style and solid craftsmanship combine to form a utopian vision of the future of luxury. In a modern age marked by uncertainty, we look back through rose-tinted glasses to earlier epochs, remember the comfort of the good old days, long for security and surround ourselves with a calm, inviting aesthetic. Cleverly combined, honest materials, creatively implemented ideas and simple opulence form a new kind of comfort as well as give rise to intimacy and a sense of tangibility.

Textile Exports to Germany

The Indian textile industry has shown a remarkable growth over the years and has more than four million handlooms. The sector is responsible for 14% of the overall industrial output and is on the rise in the global textile sector. It generally consists of suppliers, manufacturers, exporters of textiles of cotton, handloom, woollen goods etc. Germany is one of the front runners when it comes to import of handmade Indian textile.

Statistics

Handloom Export to Germany	2014-15		2015-16		2016-17		2017-18	
	INR	USD	INR	USD	INR	USD	INR	USD
Fabrics	0.95	0.16	4.01	0.47	3.03	0.45	3.39	0.53
Floor Coverings	45.89	7.50	39.15	5.98	35.21	5.26	37.15	5.76
Clothing Accessories	2.13	0.35	1.90	0.29	0.38	0.06	0.45	0.07
Madeups	106.15	17.36	55.53	8.53	60.94	9.14	73.85	11.46
Total	155.12	25.37	100.59	15.27	99.56	14.91	114.84	17.82

It is observed from above table that Handloom export to Germany faces mixed trend.

Council's participation at Heimtextil-2019

Council organized participation in this event for its member exporters by availing financial assistance under Market Access Initiative scheme of Ministry of Commerce & Industry, Govt. of India.

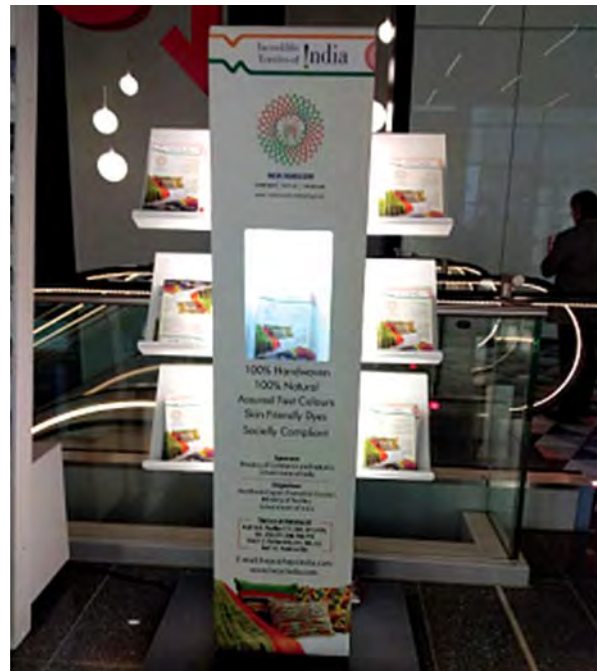
Council had hired a space of 1096sq .mtrs and provided opportunity for 56 member exporters. The space was hired in hall 10.3 (720sq .mtrs), hall 1.2 (346sq .mtrs) and Hall 1.1 (30sq .mtrs) accommodating 37 exhibitors in hall 10.3, 18 exhibitors in hall 1.2 and 1 exhibitors in hall 1.1 . There was a total of nearly 364 exhibitors from India exhibited in this event including HEPC participants, direct participants, and participants through other organisation.

HEPC's pavilion was inaugurated by Consul General by ribbon cutting. Dr. K.N. Prabhu, Chairman, HEPC, Dr.S.B. Deepak Kumar, Executive Director, HEPC & Shri Sanjay Sharan, Textile Commissioner, Joint Secretary, Ministry of Textiles, Government of India accompanied the Consul General and visited the booths of our participants as well as other Indian Exhibitors and interacted with them.

Report

As a repeat of last year practice, Council offered both raw space (902sq.mtrs) as well as standard booth (194sq.mtrs) for our member participants. The exhibitors under HEPC were from all over the country representing all product ranges catering to hometextile segments.

Council took various publicity measures by placing advertisements in various on-site advertisement positions such as Piccolumio, Lumio. Further, Council hired optimo for displaying participant brochures and hostess for distributing brochures to visitors. An advertisement was released in “TOP FAIR” magazine brought out by fair authority.



Events & Meetings :

During the event, Chairman and Executive Director had meeting with following officials of Messe Frankfurt and discussed on future strategies for making the participation more effective

1. Meeting with fair authority-Mr.Schmidt, MsPetraGraschy, Ms Lisa Latin &Ms Sabine
2. Messe Frankfurt Russia/India – Mr. Olga Farmer, Key Account Manager
3. Messe Frankfurt Hong Kong - Gary Yip, Assistant Sales Manager
 - Intertextil Shanghai Spring – 12-14.03.2018
 - Intertextil Shanghai Autumn – 28-31.08.2018
4. Meeting with fair organizer, Turkey (EVTEKS)– Mr. Ahmet Serdar, Vice Chairman
5. Meeting with Kaushal, HTT



PARTICIPANTS FEEDBACK :

Our member participants had a total of 1339 visitors from countries such as USA, France, Belgium, Sweden, Romania, Canada, Neitherlands, South Africa, Italy, Denmark, Greece, Dubai, Australia, Ukraine, Russia, etc. During the first day of the fair, the flow of the visitors was not encouraging, however, during the second and third day of the fair, the flow of the visitors increased and generated spot orders and good enquires. The quality of visitors was satisfactory as could be seen from the volume of spot orders booked and business enquiries generated.

Visiting buyers were quite interested in sourcing products from our member participants, and our member participants received inquiries for products viz. Table linen, Kitchen Linen, Bed Linen, Bath Linen, Curtains, Cushion covers, Throws, Bath mats, Furnishing fabrics, Rugs, etc. Some of the member participants have informed that the buyers had requested for cheaper price due to the competitiveness and economic recession. They also felt that raw materials cost are high hence production cost also increased.

As per the feedback received from our exhibitors, spot orders worth of Rs.31.2 crores and business enquiries worth of Rs.69.1 crores were generated during the event.

On-site event participation was coordinated by Mr. P.Rangasamy, Deputy Director and Mr.S. Johnson Samuel, Assistant Director.



Inauguration of HEPC Pavilion by Counsel General





- Johnson Samuel

DOMOTEX , HANNOVER 11-14, January 2019

1. About Domotex:

DOMOTEX is a unique platform that brings together the world's carpet and floor coverings industry at different locations around the globe. The show is unrivalled in its ability to help suppliers present and market their latest products to carefully targeted buyer groups in the world's most promising markets.

The latest edition of DOMOTEX (January 11 to 14) – has underscored its reputation as the sector's biggest and most important hub for business, innovations and trends. Over 1,400 exhibitors from more than 60 nations in an area of 92000m2 came to Hannover to kick off a successful new year of business. With close to 90 percent of all attendees having decision-making authority, the caliber of the show's visitors remained extremely high – a fact confirmed by exhibitors. Due to growing market concentration, DOMOTEX recorded a slight dip in attendance. According to the exhibition survey, the order situation of exhibitors remained constant, while the purchasing volume per visitor went up. About 70 percent of all DOMOTEX attendees once again came from abroad – a clear sign of the flagship fair's international appeal. In terms of visitor backgrounds, attendance was notably up on the part of wholesale and retail professionals. The figures also revealed an increase in attendance by architects, interior designers and contract business professionals.

The inspiring "Framing Trends" showcase in Hall 9 proved its worth. In its second year, it once again featured impressive displays of innovative products by manufacturers, artists, designers and students. International

architects, designers, planners and influencers were particularly appreciative of “Framing Trends” as the beating heart of the event. The new showcase has proven to be highly effective at bringing visitors together and spawning lively interaction and business dialogue.

Factors like tradition, sustainability and individualisation were also very much in evidence in DOMOTEX’s handmade carpets section

A key topic at the event involved solutions for the digital presentation of carpets and floor coverings. The new digital solutions ran the gamut of VR and AR applications, including visualization aids for every aspect of the marketing mix, plus innovative software which makes it easy for customers to discover and choose their favorite designs and collections while providing retailers with new options for digital product presentation and sales.

2. Indian Participation in the event:

India, Iran and Pakistan claim the lion’s share of the market of hand-knotted carpets, rugs altogether accounting for some 55 percent of business. Afghanistan with a long standing reputation of high-quality carpets also had its county pavilion (with 30 exhibitor) beside Pakistan from the neighbouring region. Other leading country pavilion included exhibitors from Egypt, China.

India as a dominant player in the carpet, rugs and floor coverings product segment had a participation of 329 exhibitors in total which included participants under the aegis of HEPC (20 Nos), CEPC (162Nos), Coir Board (15Nos) and National Jute Board (3 Nos)and the rest as direct participants in their individual capacity.

A detailed break up of participants and visitors for the event during last five editions is given below/

Description	2015	2016	2017	2018	2019
Total Number of Exhibitors	1323	1441	1409	1615	1400
Number of Indian Exhibitors	311	316	374	383	329
Number of Visitors	40000	45000	36402	45000	33000
Number of Participating countries	63	59	60	60	60

The event witnessed a decline in number of exhibitors from India in 2019 edition as compared to previous edition

3. HEPCs Participation in the event

Out of the total handloom export of Rs.2280 crore during 2017-18, export of carpets, floor covering including Mat and Mattings had a share of Rs.788 crore (35.69%). Export of this product segment witnessed a negative trend during 2017-18 with a 9.32% decline as compared to previous year.

The product profile of DOMOTEX covers Hand-made carpets and rugs, Machine-made carpets and rugs, Mats, Textile floor coverings, Resilient floor coverings and luxury vinyl tiles, Machinery tools & solutions for the skilled trades, Parquett, wood & laminate flooring, Outdoor floor coverings. With a sizeable number of member exporters engaged in export of floor covering items, participation in DOMOTEX assumes prime importance in providing a marketing platform for its member exporters of this product category. Handloom Export Promotion Council organised participation in DOMOTEX 2019 held at Hannover, Germany during 11-14, January 2019 under National Handloom Development Programme of Ministry of Textiles, Govt. of India.

Shri.Madan Lal Raigar, Consul General, Consulate General of India, Hamburg, Germany inaugurated the handloom pavilion at this event on 11th January 2019. The Consul General also visited Indian exhibitors and interacted with them.

Dr.S.B.Deepak Kumar, IAS, Executive Director visited the event for an on-site assessment of event outcome. During the visit, a meeting was held with event organiser **Mr.ThiloHorstmann**, Project Director, Deutsche Messe AG and organiser's Indian representative **Ms. Geeta Bisht**, Director, Hannover Milano Fairs India Pvt Ltd.on subject matters pertaining to better location and acquisition of more space for participation in the event, on-site advertisements and also regarding the participation of DOMOTEX being held in other region across the globe.

During event participation, Council's official also had a discussion with **Dr.DietrichKebschull**, Chairman , IGEP and **Ms. Sharda Subramaniam**, Director , IGEP and discussed on subject of having an association with IGEP in organising visit of designers , market experts from Germany to provide design and market inputs for Indian exporters.

As per the feedback received from member participants, **spot order of Rs.4.99 crore** and trade enquiries to an extent of **Rs.8.62 Crore** were generated from a total of 318 visitors who had visited our exhibitors. Our exhibitors had visitors from UK, Australia, China, Korea, Spain, Bulgaria, Poland, ,Canada, France, USA, Austria, South Africa, Slovakia etc, apart from host Country Germany .This reflects the international recognition of this event among the buyers of all continent.

Council had put up a central promotional stall with a AV display of video on India Handloom Brand and distributed event brochures and India Handloom brand brochures.. Further, the opportunity was utilised to mobilise buyers for India Textiles Sourcing Fair (RBSM in India).

The next edition in 2020 will be held during 10-13, January 2020.

The event participation was coordinated by **Shri.P.Rangasamy**, Deputy Director



Inauguration by Shri.Madan Lal Raigar, Consul General



Visit to Participants 'stall



Visit of Dr.S.B.Deepak Kumar,
IAS, Executive Director, HEPC



Meeting with Fair authorities





Report



- P.Rangasamy

Trade Notice

F.No. 1/94/180/330/AM19/PC-4
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DIRECTORATE GENERAL OF FOREIGN TRADE
UDYOG BHAVAN, NEW DELHI-110011

Dated 1st February, 2019

Trade Notice No.45/2018-19

To,
Members of Trade & Industry
EPCs/FIEO
Reserve Bank of India

Subject: Interest Equalisation Scheme (IES) for pre and post Shipment Rupee Export Credit and its expansion

Trade and industry is already aware that the Interest Equalisation Scheme (IES) for pre and post Shipment Rupee Export Credit is being implemented by this Directorate through the RBI and its network of banks. **The scheme came into effect from 1.4.2015 and is for a period of 5 years.** Under the scheme, interest equalisation @ 3% per annum was made available to eligible exporters which included manufacturer exporters for exports in the identified 416 four digit tariff lines and all MSME exporters across all their merchandise exports.

2. Subsequently w.e.f. November 02, 2018, **Interest Equalisation rate has been increased from 3% to 5% in respect of exports by the Micro, Small & Medium Enterprises (MSME) sector manufacturers** under the Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit.

3. **W.E.F. January 2, 2019, merchant exporters have also been included** under the ongoing Interest Equalisation Scheme allowing the equalization rate of 3% per annum for export of products covered under 416 tariff lines identified under the Scheme.

4. Eligible category and equalisation rate, presently, is as follows:

Export items	Eligible category	Rate of equalisation
416 four digit tariff lines listed in the scheme	Large sector manufacturers from 1.4.2015 and Merchant exporters from 2.1.2019 onwards	3% per annum
All tariff lines	MSME sector manufacturers	3% per annum from 1.4.2015 and 5% per annum w.e.f. 2.11.2018

5. Operative guidelines have been issued by RBI from time to time. Relevant RBI notifications are as follows:

DBR.Dir.BC.No.62/04.02.001/2015-16 dated December 4, 2015;

DCBR.CO.SCB.Cir.No.1/13.05.000/2015-16 dated February 11, 2016

DBR.Dir.BC.No.09/04.02.001/2018-19 dated November 29, 2018 and

DBR.Dir.BC.No.22/04.02.001/2018-19 dated January 11, 2019

6. Trade is requested to make maximum use of this scheme and any difficulties faced in this regard may be brought into notice of this Directorate.

Dilip Kumar
(Dilip Kumar)

Dy. Director General of Foreign Trade

01/61/180/169/AM18/PC-3
Government of India
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhawan, New Delhi

Trade Notice No. 42/2015-2020

Dated: 11th January 2019

To,
Members of Trade and Industry
All Customs Authorities
All Regional Authorities (RAs) of DGFT
EPCs/FIEO

Sub: Mandatory recording of information on DGFT website about transfer of MEIS/SEIS Scrips issued from 14.1.2019 onwards (for EDI ports only)

In order to improve ease of doing business, it is being planned to discontinue issue of MEIS/SEIS scrips in physical form. For this purpose, it is important to have information about the current owner of the scrip online so that the current owner only can be allowed, to use the scrip for duty payment, by Customs Authorities. Therefore, a facility has been created on DGFT website to record the information about transfer of scrip. Before it is decided to discontinue with physical issue of scrip, it is planned that each transfer of every scrip should be mandatorily recorded on this DGFT facility, and Customs Authorities will check the ownership information of the scrip, before the owner is allowed to use the scrip for payment of duty.

2. In view of the above, it has been decided that transfer of MEIS/SEIS scrips, which have been issued **on or after 14.1.2019**, for EDI ports only, will have to be mandatory recorded on the DGFT website (www.dgft.gov.in). Detailed procedure for recording of transfer of MEIS/SEIS scrips is at Annexure.

3. MEIS/SEIS scrip owner will continue to 'transfer' the scrip to another IEC firm/company in the same manner as was being done by them earlier i.e. as per the negotiated terms & conditions between the buyer and the seller. However, the information about the new owner (transferee) has to be recorded on the DGFT website by the current owner (transferor), before the new owner (transferee) can utilise the scrip. Thus, it is very important for both transferor and transferee to ensure that information regarding transfer is recorded by the transferor. After the information is recorded on the DGFT website, the old owner cannot record further transfer, and only the new owner can record any further transfer, if any.

4. It should be noted that the recording of information is for the purpose of DGFT and Customs. Unless recorded on DGFT website, the new owner (transferee) will not be able to utilise the scrip for duty payment. Therefore, the new owner (transferee) has to ensure that the scrip is recorded in his favour by the old owner (transferor). DGFT/Customs are not responsible for any lapse by the old or new owner or any dispute between them in this regard.

5. Applicants will continue to apply for MEIS/SEIS as per current procedure on DGFT website and the Regional Authorities will continue to issue the MEIS/SEIS scrips on security paper for use by the exporters till it is decided to discontinue the issue in physical form. The decision to discontinue the issue of scrip in physical form will be notified separately.

6. No simultaneous transfer of scrip to more than one firm will be allowed.

7. Difficulties, if any, in implementation of these provisions may please be brought to the notice of this Directorate immediately.

This is issued with the approval of the DG.



Nikunj Kumar Srivastava
(Additional Director General of Foreign Trade)

Annexure

Recording information about transfer of MEIS/SEIS scrips

1. The MEIS/SEIS scrip owner will need to carry out the following steps for recording the transfer information to another IEC entity on the DGFT website :

Step 1: Go to **Services** → **MEIS/SEIS View/Transfer** → **Record Transfer Information**

Log In with the Digital Signature Certificate (DSC);

Step 2: Enter MEIS/SEIS scrip number for which transfer details are to be recorded in the EDI system;

Step 3: The MEIS/SEIS scrip owner (say entity A) will then need to input the IEC number of the firm/company in favour of whom the 'transfer' information is to be recorded (say entity B). Thereafter, the name/address of the firm or company to whom the transfer is being intended (i.e. entity B) will be reflected by the system. After confirmation by entity A, the system will instantaneously record the transfer information for that particular MEIS/SEIS to entity B and the system will now reflect the 'current owner' as entity B.

II It may be noted that 'transfer' information cannot be reversed and the MEIS/SEIS transferor has to exercise due caution before recording any transfer information in the System. It is being clarified that this online facility is not in any manner a tool for 'transfer' and is only an electronic aid for recording information relating to transfer of MEIS/SEIS from entity A to entity B.

III Once transfer information is recorded electronically in the system, as explained in Step I (3) the particular MEIS/SEIS will start getting reflected in the transferee's account i.e. in the account of entity B. Exporter 'B' can now further record transfer information of this scrip received in their account to another IEC entity as per procedure explained above.

Viewing Current Ownership of Scrip

I For ascertaining the 'current owner' of the particular MEIS/SEIS scrip as recorded in the DGFT system, following steps need to be followed i.e.

Step 1: Go to **Services** → **MEIS/SEIS View/Transfer Information** → **View Ownership**

Step 2: Add the MEIS/SEIS scrip number whose 'current owner' is to be obtained; enter Captcha and log in [no Digital Signature Certificate (DSC) required for log in];

II System will display the basic issuance details of the MEIS/SEIS; the 'current owner' of the scrip and the transfer history. It may be noted that if no information on 'transfer' has been recorded in the System, the 'current owner' field will reflect the original owner. In case, information on multiple transfers has been recorded in the System i.e. from IEC number A to B to C, then the 'current owner' field will show the details of the last transfer recorded (i.e. of C)

File No. 01/233/HQ/18-19/ECA II
Government of India
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhawan, New Delhi

Trade Notice No. 47/2015-2020

Dated: 11th February 2019

To

Members of Trade and Industry
All Regional Authorities (RAs) of DGFT/Development Commissioners of SEZs
All Export Promotion Councils/Chambers of Commerce
All Indian Trade Missions abroad
Foreign Trade Division of Department of Commerce

Sub: Online Module for Filing & Tracking Quality Complaints/Trade Disputes relating to International Trade.

In an endeavour to resolve complaints or trade disputes relating to international trade and to create confidence in the business environment of India, a mechanism to address such issues has been provided in Chapter 8 of the Foreign Trade Policy/Handbook of Procedures, 2015-2020. These largely relate to

- a) Complaints received from foreign buyers in respect of poor quality of the products supplied by exporters from India;
- b) Complaints of importers against foreign suppliers in respect of quality of the products supplied; and
- c) Complaints of unethical commercial dealings categorized mainly as non-supply/ partial supply of goods after confirmation of order; supplying goods other than the ones as agreed upon; non-payment; non-adherence to delivery schedules, etc.

2. Up to now such complaints/Trade Disputes are being filed, received and processed manually. Now an Online module has been created to facilitate filing and tracking of these Quality Complaints/Trade Disputes. It has been decided that with effect from 11/02/2019, all such complaints should be filed online as per the following protocol:

FOR THE COMPLAINANT

- (i) Go to the DGFT website www.dgft.gov.in>Quick Links >File Quality/Trade Grievances>fill Online Application Form.
- (ii) Upload documents related to the quality complaint/trade dispute, wherever required [maximum 5MB size documents in pdf format].
- (iii) Submit Online Application Form to the jurisdictional RA of DGFT/SEZ [this jurisdiction complaint is being made or with respect to the Indian complainant where the complaint is being filed against a foreign entity, as per Appendix I of Handbook of Procedures http://dgft.gov.in/sites/default/files/1A_0.pdf].
- (iv) On submission, a Unique Reference Number (URN) starting with 'Q' will be generated and sent to the email id of the complainant. Please make sure that the email id is functional as all future correspondence will be made on this id only.
- (v) The complainant, at a future date, can also provide additional material/correspondence to the DGFT RA/SEZ. While making any future correspondence with the DGFT RA/SEZ to whom the Online Application has been submitted earlier, the URN must be quoted invariably in the subject header of the email.
- (vi) A link 'View Status' is also available for the complainant to check current position of the complaint at "<http://dgftebrc.nic.in,8080/TradeDispute>"

FOR THE DGFT RA/SEZ WHERE ONLINE APPLICATION IS SUBMITTED

- (vii) On receipt of the quality/trade complaint, the concerned DGFT RA/SEZ, after logging into the Online Module, on a regular basis, will take necessary steps as per guidelines laid down in this regard in the Foreign Trade Policy/Handbook of Procedures, 2015-2020 for resolution of the grievance.
 - (viii) In case the Online Application Form has been submitted incorrectly to the wrong jurisdiction by the complainant, the RA/SEZ will 'Reassign' the application to the correct RA/SEZ. Online Application(s) submitted to DGFT Headquarters will also be 'Reassigned' to the correct DGFT RA/SEZ by the concerned division in the HQ. For information of the Complainant, information regarding reassignment to another DGFT RA/SEZ will also be provided in the 'Update Status' link.
 - (ix) Each DGFT RA/SEZ will also regularly update position of the cases on the link 'Update Status' so that the Complainant and the DGFT HQ can track the progress made on the grievance filed.
3. Difficulties, if any, in implementation of these provisions may please be brought to the notice of this Directorate immediately.
4. Indian Missions abroad and Export Promotion Councils may give wide publicity to this online filing & tracking facility.

This issues with approval of the DG.



R.P. Goyal
Additional Director General Of Foreign Trade



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