Export Levies

Apparel exporters in dilemma over service tax

MUMBAI: Apparel exporters fear a loss amounting to approximately Rs.500 crore per annum due to the imposition of service tax on export cargo freight rates. The government by way of notification no 28/2005 has withdrawn the exemption enjoyed by the air cargo operators from June 16, 2005. As a result, an additional burden of 10.2 percent service tax will be levied on export cargo freight rates.

Further the notification adds, that the tax collected for services rendered will have to be in Indian rupees. Confederation of Indian Apparel Exporters (CIAE) president Amit Goyal explained, “The apparel exporters ship their goods on CIF basis which means that exporters collect the freight amount from the customer in foreign currency and make the payment to the airlines in Indian rupees, but this foreign inward remittance so why should the service tax come under it. This is totally illogical.” Visibly upset by this notification, the export community facing stiff competition from China in the new quota system, is fearful of losing market share. Additionally, the government policies will force export units to close down as they are already working on narrow margins. Also the Indian exporting community has to bear consistently tough conditions in the past one year, but have managed to overcome it in determined fashion and which will help them to compete with the best in the coming years.

Textile processing unit on cards in Hyderabad

HYDERABAD: A state-of-the-art textile processing unit is expected to come up in the Rs 300-crore Hyderabad-Hitech Textile Park, proposed to be developed by Infrastructure Leasing and Financial Services (IL&FS). The processing unit comes up as a result of association of over 125 weaver entrepreneurs from Mahabubnagar district in Andhra Pradesh. The IL&FS and the entrepreneurs recently signed a memorandum of understanding (MoU) to develop a national textile hub at the proposed site. Chief minister Y S Rajasekhara Reddy was present on the occasion, according to a press release.

The Government of India has approved a proposal for providing financial assistance to develop infrastructure for the proposed textile park which is expected to cost about Rs 28.18 crore. The Centre will provide Rs 18.48 crore while the state government will offer an assistance of Rs 4.73 crore for the development of infrastructure, the press release said.

Over 300 shuttleless powerloom weaving units at a cost of Rs 150 crore would be set up at the park, which is expected to be ready with all the basic facilities by June 2006. The textile processing unit will act as a mother unit and cater to the requirements of textile units functioning both within and outside the park, the press release added.

It needs to be added Andhra Pradesh’s conversion rate of project proposals which are finally approved is highest in India.

No more importing container loads of spunfabrics and maintaining inventory. Now, you can get DuPont™ Sontara® spunlace non-woven fabrics delivered right to your doorstep. In both Roll and Cut-Wipe form. In any desired quantity. With DuPont™ Sontara®, you can be assured of world-class quality delivered consistently.

To meet the needs of diverse applications across industries, DuPont™ Sontara® is available in several grades such as 100% Polyester to Rayon/Polyesters, Cellulose/Polyester to 100% Lycra in varied GSMs, textures and colours. So, why incur importing costs when you have DuPont™ Sontara® spunlace non-woven fabrics?

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MAGINATION, innovation and technology take textiles to the extreme specialty applications as our quest for comfort and quality lifestyle prevails. Can we tailor textile technology to make things stronger, lighter, faster, smarter and safer? The answer is yes and imagination is your limit.

Stronger: High performance fibers are expected to replace metal parts for superior functional properties. The combination of strength (tenacity) and resistance to extension (modulus) provides the ultimate performance of the fiber (Table 1). Japan is the prime producer of the most high performance fibers. Toyobo produces Zylon (aromatic heterocyclic, lyotropic liquid crystalline polymers, polybenzazole - PBO) - the strongest fiber with a tensile strength of 42 g/d and a modulus of 2000 g/d.

At Nexia, we spun miles of recombinant protein based artificial spider silk fiber, BioSteel®. We envisioned spinning nature's mystery, a strong spider web. Despite encouraging experimental results, our expectations fell short. We failed to conquer nature’s superiority and were faced with the crucial challenge of batch-to-batch chemical inconsistency and cohesive molecular integrity. However, our R&D initiatives led to proprietary process design and new product development nirvana.

Lighter: Table 2 compares economic benefits of reducing the weight of ultimate structures. Light-weight means comfort, less transportation costs and reduction of fuel consumption. Airbus and Boeing have been exploiting the economics of building lighter aircrafts with reinforced high performance composites. Even high performance fibers can be coated with lightweight (density ~0.8g/cc) visco-elastic adhesives and resins namely, neoprene, urethane etc. - Tejin developed Technora - a co-polymer type para-aramid (para-aromatic polyamide) fiber in 1974. DuPont uses petroleum-derived terephthalic chloride and para-phenylenediamine to produce Kevlar, whereas Tejin introduced diamiine as a third component. Technora includes both end in its molecular structure, and has higher tensile strength, better abrasion and fatigue resistance, prolonged heat resistance and superior chemical resistance to Kevlar. Tejin showed that Technora of 11 mm diameter lifted an 8 tonne tetrapod. Faster: Faster and lighter often go hand in hand. The lightness of the object is measured by its density or specific gravity usually expressed in g/cc. If the specific gravity of the fiber is below 1, it floats on water. Polypropylene and polyethylene have density below g/cc - they float on water. Satellite launched missiles used carbon-carbon composites that achieved several times the speed of sound. Most Formula One racing cars including Williams F1 BMW FW26 features a chassis made of carbon fiber reinforcement with epoxy resin. With heat and pressure laminating layers of materials moulds the components.

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**Table 1: Properties of selected fibrous polymers**

<table>
<thead>
<tr>
<th>Material</th>
<th>Density (r)g/cc</th>
<th>Tenacityg/d</th>
<th>Modulus g/d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polypropylene</td>
<td>0.9</td>
<td>2-10</td>
<td>6-60</td>
</tr>
<tr>
<td>Polyethylene</td>
<td>0.94-0.97</td>
<td>4-35</td>
<td>150-500</td>
</tr>
<tr>
<td>Carbon</td>
<td>1.7-1.9</td>
<td>12-32</td>
<td>200-500 GPA</td>
</tr>
<tr>
<td>Kevlar</td>
<td>1.44-1.45</td>
<td>22-23</td>
<td>525-800</td>
</tr>
<tr>
<td>Technora</td>
<td>1.39</td>
<td>25</td>
<td>570</td>
</tr>
<tr>
<td>Zylon</td>
<td>1.54</td>
<td>42</td>
<td>2000</td>
</tr>
</tbody>
</table>

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HUMIDEX

ATOMIZER

Humidifier of the millennium

**Technical Specifications:**

**HUMIDEX 2000**

- Dimension: 460 x 690 x 512
- Voltage Required: 220V +/- 10%, 50Hz.
- Air Circulation: 800 Meter Cube/Hour
- Weight (Dry): 28 Kgs.
- Direct Water Connection: 1-3 Bar
- Evaporation Capacity: 6-7 litres/Hr.
- Area Coverage: 650 Sq. Ft. (Approx.)
- Power: 240 Watts

**HUMIDEX 2000T**

- Dimension: 1020 x 690 x 512
- Voltage Required: 220V +/- 10%, 50Hz.
- Air Circulation: 1600 Meter Cube/Hour
- Weight (Dry): 56 Kgs.
- Direct Water Connection: 1-3 Bar
- Evaporation Capacity: 13-14 litres/Hr.
- Area Coverage: 1200 Sq. Ft. (Approx.)
- Power: 480 Watts

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An ISO 9001:2000 Certified Company

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Peter Testa has designed a 40-storey carbon tower prototype model, which uses high performance fibers. Imagine such a building would be woven together as a single structure, eliminating numerous assemblies susceptible to buckling, shifting, gravity and wind. This is now a part of the ‘Extreme Textiles’ exhibit at the Cooper Hewitt National Design Museum, New York.

In order to exploit the emerging opportunities in smart textiles, CTT Group (groupecttgroup.com) initiated the ITTA (Intelligent Textile Technology Alliance) and ExperTex programs. These programs are designed to serve the contemporary changing and challenging needs of the textile industries today.

Safer: Innovation proliferates extensively in the area of multi-functional protective and safety textiles. They encompass high modulus ropes, fire-fighting garments, cut resistant gloves, airbags, acid-resistant filters, biocompatible antibiotic substrates and range of specialty products.

Tulmar Safety Systems Inc. (tulmar.com) uses coated textiles and RF (Radio Frequency) welding technology to produce inflatable life jackets, life rafts for the aerospace industry. These TSO life jackets are integrated with optoelectronic devices and compressed CO2 cylinders that inflate the jackets momentarily.

**Trends and Tendencies**

Estimates suggest that global Textile and Apparel (T&A) Trade is approximately US$ 1 billion a day and average per capita fiber consumption of ~10 kg per annum. Global fiber production hit 67 million metric tons in 2004.

David Rigby Associates (DRA) estimated global technical textiles consumption is expected to be 23.8 million tons at a value of US$ 127 billion in 2010. This makes the highest growth potential in Asia.

Beyond the basic demand, our appetite for smart T&A and our quest for comfort and a quality lifestyle seem to drive the growth of the T&A sectors from country to country. Reinvesting in innovative process-product-technology and employee training are essential to retain and maintain competitive advantage and remain internationally competitive.

Qualified textile technologists have been keen to restructure their careers due to lack of competitive compensation despite the growing demands of a high-skilled workforce for our industries. Such attitude undermines the growth of our T&A sectors, unlike the emerging lucrative industries.

Specialized technical and cosmetic textile innovations will initially proliferate in the advanced countries, and then gradually shift to exploit competitive growth potential. Farsighted strategies and healthy work environments are crucial to fostering innovations and continuous improvement.

Fast-paced globalization and trade liberalization will continue to force labour-intensive T&A enterprises to knit cross-cultural business collaborations for exploiting global market potential and competitive investment opportunities.

We live in the age of extreme global economic inequality. Any unfair trade pact we envision for protecting our T&A trade horizons will fall like the Berlin Wall. Today’s highly competitive T&A trading environment needs a more compassionate cross-hemispheric cross-cultural collaboration than ever before.

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**Table 2: Economic benefits (US$) of reducing the weight by 1 kg**

<table>
<thead>
<tr>
<th>category</th>
<th>economic benefits (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rockets/satellite</td>
<td>200,000</td>
</tr>
<tr>
<td>Missiles</td>
<td>1,500</td>
</tr>
<tr>
<td>Helicopters</td>
<td>350-1,500</td>
</tr>
<tr>
<td>Aircrafts</td>
<td>70-350</td>
</tr>
<tr>
<td>Ships - Industrial</td>
<td>40</td>
</tr>
<tr>
<td>Cars</td>
<td>&lt;4</td>
</tr>
</tbody>
</table>

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**Creating harmony through technology**

At UNG, we believe that performance, excellence, innovation and affordability would be the key drivers for success. The textile industry, in the new global economy will be driven by strong service backed by superior technology. With the availability of these key drivers UNO is poised to emerge as leaders in the Specialty Textile Chemicals business.

We firmly believe in adopting the best that technology has to offer, to enable us to deliver products and services to our customers in the most cost efficient manner by combining appropriate technology and pragmatic business practices.