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INTERNATIONAL NEWS

Chinas textile machinery sector growth slows down as pandemic continues

After facing several impediments in the first three quarters of 2020, due to US-China trade stand-off and the pandemic, China's economic growth has steadied. In fact, the country is doing better than most others at the moment on all economic indicators. Business has recovered steadily as consumption has grown and investment stabilized and exports recovered beyond expectations. In continuation, the textile industry too is improving. Therefore, the overall operation of textile machinery sector in the first three quarters has recovered, while a dip in its economic operation indicators has reduced, says a survey by China Textile Machinery Association.

Demand still to pick up

With growing demand for textile equipment used for epidemic prevention, China's exports increased significantly. However, the global textile market is still facing pressures due the pandemic and demand for textile machinery is still low, reports Digital Journal. The analysis reveals from January to September 2020, the total cost of textile machinery enterprises above designated size was down 15.7 per cent to 43.77 billion yuan compared to the same period last year.

The China Textile Machinery Association survey of 95 key textile machinery enterprises on their operating conditions in the first three quarters of 2020 shows operating conditions have improved compared with the first half of the year. Operating income of 50 per cent enterprises declined to varying degrees. In fact, for 11.83 per cent enterprises orders dropped more than 50 per cent, and the prices of textile machinery products are generally stable and down. Almost 41.76 per cent enterprises have the same inventory as last year, and 46.15 per cent enterprises' capacity utilization rate is above 80 per cent.

Companies point out the problems they are facing are mainly due to low demand from both domestic and foreign markets, pressure from rising costs, and blocked sales channels. Weaving, knitting, chemical fiber and non-woven machinery companies expect orders in the fourth quarter to improve compared to the third quarter.

Customs statistics reveal, cumulative total of China's textile machinery imports and exports from January to September 2020 was $5.382 billion, a year-on-year a drop of 0.93.

Market ahead

The reports suggests textile machinery industry's business in Q4 and 2021 is still facing many pressures. The pandemic has slowed down global economy. As per IMF global economy will fall 4.4 per cent in 2020. With uncertainty and instability there are pressures on global supply chain, a sharp decline in trade and investment, massive loss of jobs, and geopolitical conflicts.

As per, a survey by the International Textile Federation (ITMF) in September 2020, the turnover of major global textile companies in 2020 is expected to drop on an average 16 per cent. And it will take several years to fully compensate for the losses.

As a consequence market adjustment of the textile machinery industry will continue, and pressure on enterprise production and operation will not ease soon.

Source: fashionatingworld.com– Jan 08, 2021

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Sourcing of Indian cotton by Chinese mills on the rise

Cotton stocks at China's ports are largely from India, ending the India-China tussle. As per feedback from cotton traders and overseas entrepreneurs located in Qingdao, Zhangjiagang, Shanghai and other places, enquiries for bonded cotton and customs clearance cotton (imported cotton) have shown signs of recovery since mid-December.

Imported cotton attracted attention and favour of cotton textile mills and middlemen that has resulted in continually active transactions. This rebound in transaction of imported cotton was mainly due to the widening of price difference between domestic and foreign cotton as well as early overdraft of 2021 cotton import quotas by some buyers.

As per a cotton company based in Jiangsu, sales of high-quality Indian cotton have gradually improved since October '20 and squeezed the loss of Brazilian cotton ranked second in China's cotton imports in October and November, second only to the cotton sourced from US.

Meanwhile, in the past two months, the price difference between Brazilian and Indian cotton – which is the same as commodity inspection index – has widened to 800-1000 RMB/tonne, and price of Indian cotton has become more competitive. This upward trend has been facilitated by the short transportation distance and the increase in freight costs as the impact of the epidemic on ships is relatively controllable. Hence shipment and delivery of Indian cotton is normal compared with Brazilian cotton and American cotton.

It is estimated by the end of December '20, the total amount of bonded cotton in China's main ports may reach 410-440 million tonnes, which is largely contributed by US cotton, Brazilian cotton, Australian cotton, Indian cotton, African cotton, Central Asian cotton and European cotton.

Source: fashionatingworld.com– Jan 08, 2021

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China sees high demand for luxury products in 2020

Mainland China, which now accounts for 20 per cent of global luxe sales is forecasted to have the biggest market share by 2025. As per Bain & Company and Tmall report, the luxury goods market is forecasted to grow 48 per cent to almost $53.6 bn in 2020 with leather goods and jewelery the most in-demand categories. Demand growth is attributed to the increase in domestic spending resulting from a drop in international travel.

After Covid-19 lockdowns in early 2020, China's luxury-goods market began to grow in April as consumers made purchases within the country. This repatriation of consumption is one of four factors driving this growth.

Reduction in import duties, price harmonization and stricter gray market controls, helped China's luxury markets boom, reports Bain. Positive consumer sentiment and increased wealth also helped to drive luxury consumption, as did government measures designed to encourage spending.

As per the report, Chinese millennial may be its core consumers, making up more than 70 per cent of the platform's luxury fashion and lifestyle consumers, but Gen Z shoppers are an emerging strong category. Gen Z puts greater emphasis on "the pursuit of fashion", and their purchase of luxury collaborations and limited editions increased 300 to 400 per cent between January and October 2020. Indeed, digitalization is another factor driving luxury in China, with Covid-19 resulting in online channels increasing luxury sales by around 150 per cent in 2020.

Another unique trend observed in 2020 was the online growth of domestic duty-free channel, including sales from the Hainan duty-free zone, where 55 per cent merchandise sold online. Similarly, China's annual luxury online penetration also increased 23 per cent in 2020, up from 13 per cent in 2019, driven by beauty products and domestic duty-free sales.

However, despite the boom, Bain notes the growth in Mainland China failed to compensate for the loss of Chinese spend overseas – the drop in travel saw consumers' total luxury spend fall around 35 per cent.

Source: fashionatingworld.com– Jan 08, 2021

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Adidas, Ralph Lauren Among Fashion Names Fighting Vietnam Tariff Threat in Trump's Last Days

A coalition of hundreds of fashion industry brands, retailers and trade organizations wrote a letter to President Trump on Thursday urging him to refrain from imposing "punitive tariffs" on goods from Vietnam, a major hub for fashion sourcing.

The Trump administration and the U.S. Trade Representative (USTR) have used Section 301 violations as the premise for imposing tariffs against China for a wide range of products, and have threatened to do the same against Vietnam, currently the No. 2 supplier of apparel to the U.S, according to the group spanning Adidas to Nike to Ralph Lauren to Tory Burch.

"We agree that our trading partners must abide by global trade rules and we support enhanced bilateral engagement with Vietnam to resolve concerns," the coalition said. "However, responding with tariffs would undermine American global competitiveness and harm American businesses and consumers at a time when they can least afford it, as they are struggling from the impacts of COVID-19."

The group said it's particularly concerned about the prospects of additional tariffs being applied to U.S. imports of apparel, footwear, technology components, luggage and travel goods, furniture, and accessories from Vietnam. Imports of these products already face some of the highest duties the U.S. government charges, it added.

"If additional tariffs are applied to U.S. imports from Vietnam, it would mean that more than half of all apparel and footwear and more than three quarters of all accessories sold in the U.S. would be hit with cumulative tariffs as high as 25 percent to 50 percent," it said. "Many companies shifted sourcing to Vietnam as a direct result of the China 301 tariffs and supply chain diversification efforts. Placing tariffs on imports from Vietnam would punish those companies who made the sourcing shift as the administration had asked."

The coalition, which also includes Under Armour, Steve Madden and Toms, noted that Vietnam is also a major export market for U.S. job-creating textile, chemical, hardwood and agricultural products, and that imports of raw materials from Vietnam are critical inputs used by U.S. manufacturers of finished goods.

The letter cited U.S. International Trade Commission data that showed U.S. textile and apparel exports to Vietnam increased by $97 million from 2015 to 2019. During that same time, U.S. footwear exports to Vietnam increased by $170 million.

"We urge the administration to avoid tariffs and instead utilize more targeted tools that are specifically intended to address currency and timber concerns," it added.

In testimony submitted in November to a USTR hearing, which the National Council of Textile Organizations (NCTO) said Thursday still represents its position, the group, which represents the U.S. textile production chain, said it "has been severely impacted in recent decades by Vietnam's unfair and often illegal international trade practices."

"As such, our industry supports the President's efforts to rebalance our current trade relationship with predatory competitors by addressing longstanding and highly damaging government-sanctioned initiatives that have allowed state-sponsored economies to unfairly dominate global textile and apparel markets," NCTO said. "Consequently, we strongly endorse this important and long overdue Section 301 investigation into Vietnam's currency practices."

NCTO noted that the United States is the largest single--country importer of textile and apparel products in the world and that the U.S. trade deficit in textiles and apparel is the third largest of any sector.

"Vietnam's activities in the textile and apparel sector not only damage U.S. production and workers, but also undermine our current free trade and preference partnerships, such as those associated with USMCA, DR-CAFTA, CBTPA, Haiti HOPE/HELP and AGOA," NCTO said.

"All these arrangements are tied to preferential pricing benefits derived from the elimination of U.S. duties. Vietnam is able to offset any preferential pricing benefits intended for free trade partners by artificially lowering the cost of their textile and apparel exports through the…system of state-sponsored subsidies and a purposely undervalued currency," it added. "Their illegal practices threaten the over 2 million jobs supplied directly by the textile/apparel industry throughout U.S. free trade and preference regions, along with the $36 billion in two-way trade between the U.S. and these preferential trade partners."*

These practices "should disqualify Vietnam and other non-market economies from being eligible for inclusion in any free trade or preferential trading arrangement with the United States," NCTO said. "The benefits derived from centralized industrial planning and macro subsidies, such as currency devaluation, make it virtually impossible for manufacturers operating under free market principles to compete with Vietnamese counterparts."

NCTO believes any tariff penalties or other remedies associated with the outcome of this case should include textile and apparel products and is warranted by "Vietnam's predatory practices that have been used to drive massive textile and apparel trade deficits with the United States, undermine U.S. textile production, and displace U.S. textile workers."

Trump has signaled a desire to impose the tariffs, but the week's events have led to calls for his removal from office, and the 12 days he has left in his term could conspire to leave the issue unaddressed. While President-elect Joe

Biden has said he would likely leave tariffs Trump slapped on Chinese imports in place, he hasn't commented on any action around Vietnam.

Source: sourcingjournal.com– Jan 08, 2021

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If China no longer wants to be the world's factory, who will take its place?

China's transformation into the world's manufacturing powerhouse has been remarkable. When it joined the World Trade Organization (WTO) in 2001, it was a minor player on the global manufacturing stage. But after years of reforming its economy around producing goods for export, its formal entrance to the WTO helped its output soar.

In the years since, it has offered itself up as the world's low-cost factory, making labor-intensive products such as textiles, toys, clothes, footwear, and furniture for companies, and ultimately consumers, around the globe.

These industries were a springboard, allowing China to develop economically and move into more advanced production of items such as electronics, as they were for economies such as Hong Kong and South Korea before. With education and wages on the rise, shrinking its cost advantage, China now wants to focus on higher-end manufacturing, lean on domestic consumption to fuel its economy, and leave the work of cranking out cheap, labor-intensive goods to others.

But if its plan works, who will step in to take China's place as the world's workshop?

It's a question Gordon Hanson, a professor of economics at the Harvard Kennedy School, tackled in a recent working paper for the National Bureau of Economic Research. Right now, there's no clear answer.

After reviewing the candidates best-positioned to take China's place, and examining whether China itself might keep the role—albeit with some important changes—he reaffirms just how confounding a question it is. "Who will fill China's shoes remains something of a puzzle," he admits.

The most likely candidates

China looks to have already peaked as a maker of labor-intensive goods. Hanson focuses his analysis on 10 products, including textiles, clothing, footwear, sporting goods, scooters, toys, and fixtures and fittings used in sectors such as sanitation, heating, and lighting. He finds China's share of world exports for these items reached their height in 2013 at 39.3% and declined to 31.6% by 2018. This form of manufacturing isn't likely to pick up again either, he notes, given factors such as the slowing growth of China's labor force and climbing rates of college education.

Perhaps the most obvious contenders to fill the opening are emerging export economies in Asia, namely India, Bangladesh, Cambodia, Indonesia, Myanmar, Pakistan, Sri Lanka, and Vietnam. But only Bangladesh, Cambodia, and Vietnam have seen significant growth in their global share of labor-intensive exports in the past two decades. Bangladesh, for one, has grown into the world's second-largest clothing exporter because of its low costs, while Vietnam has become a favorite alternative to China for producing sneakers and textiles.

"Bangladesh and Vietnam have seen the most rapid growth," Hanson says. "If you had to say who's the next China, it's them. The problem is they're just not nearly big enough to fully take over production in the way that China did from East Asia in the 1990s." Their combined populations total about 260 million—less than 20% of China's 1.4 billion—and when factoring in economic productivity, they shrink beside China even further. With Cambodia, they make up less than 8% of labor-intensive exports globally, according to Hanson's analysis.

The case isn't any more compelling for candidates in Europe, North Africa, and the Middle East, such as Romania, Poland, Morocco, Tunisia, and Turkey. The largest exporter of the group, Turkey, hasn't notably increased its share of labor-intensive exports for years.

China itself as the "next China"

It's possible labor-intensive manufacturing could remain in China but undergo great changes. Technology, and automation in particular, offers the promise of robots doing the laborious work while humans concentrate on more skilled pursuits. China, in fact, is one of the global leaders in using industrial robots. But its adoption of them has primarily been in sectors such as cars and electronics. It hasn't shown much motivation in using this technology for low-cost goods, perhaps because of its still quite large supply of cheap labor.

There are also limits on the technology itself. Soft, pliable materials such as fabric can be difficult for robots to handle, making jobs such as putting laces into sneakers exceedingly difficult to automate. While some companies are making progress on this front, automation isn't imminently poised to revolutionize how many labor-intensive goods are made.

There is another possibility Hanson considers. China is unevenly developed, with most of its labor-intensive manufacturing concentrated in big cities. That industry could fan out to other parts of the country. "In such an event, China would end up replacing itself," Hanson writes. A similar development occurred in the US after World War II, when manufacturing migrated from the more traditional urban hubs to smaller cities around the country, enabled by the spread of interstate highways.

In China, however, firms haven't been eager to move en masse from their coastal hubs to interior cities, where the scarcity of industrial infrastructure could potentially curb their productivity. Efforts by China's government to encourage manufacturers to move to these areas have had limited success. "One can make an economic case that China may be on the brink of major changes in its spatial distribution of manufacturing," Hanson writes, but evidence of it actually taking place is "hard to find."

What no "next China" means for industry

Despite supply chain leaders actively working to expand their sourcing beyond China and companies in industries such as fashion exploring the possibility of producing items closer to their end consumers in Europe and the US, many still find it difficult and prohibitively expensive to abandon China. The manufacturing infrastructure remains unmatched and quality for the price competitive. It has given rise to the "China Plus One" strategy, where companies keep the bulk of their manufacturing in China but diversify some share to a country such as Vietnam.

But if costs keep rising in China and companies don't leave, what will happen?

Hanson's paper doesn't go into the consequences, but he says one effect might be higher costs for products such as clothing and footwear—for companies and, by extension, consumers. "We've gotten used to very low prices in these goods, and I don't know if we fully appreciate how much the price of these goods relative to other goods has declined over the past 20 years," he says. "Fast fashion is a consequence of China's rise."

Companies will probably continue to experiment with their sourcing too. "We think about innovation as being about creating new products or new ways of producing goods, but changing the location where you produce something is another form of innovation," Hanson says. "It's new. It's risky. You're unsure how all the pieces will fit together. That experimentation process of figuring things out can take a while."

While it generally takes time for a new paradigm to become clear, once it does, it's often quick to take over. It's the typical S-curve pattern used to describe how innovation spreads. It may not be evident at present who or where the next China is, but that doesn't mean the answer won't ever emerge. When it does, industries will react. That, after all, is how China went from a minor manufacturer to the world's factory in so short a time.

Source: qz.com– Jan 08, 2021

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Fears of New Tariffs on Vietnam Loom in Washington

Even with Washington in crisis and calls for President Donald Trump's removal growing louder after he incited a mob to attack Capitol Hill, one more trade battle looms.

A group of more than 200 chief executive officers sent a letter to Trump imploring his administration to not impose new tariffs on imports from Vietnam.

Among the CEOs and executives signing on were Capri Holdings' John Idol, Gap Inc.'s Sonia Syngal, Levi Strauss & Co.'s Chip Bergh, Nike Inc.'s John Donahoe, PVH's Manny Chirico, Ralph Lauren Corp.'s Patrice Louvet, Tapestry Inc.'s Joanne Crevoiserat, Tory Burch and Under Armour Inc.'s Patrik Frisk.

The administration started investigating Vietnam's practices in the timber industry in October and last month officially called the country out for manipulating its currency to benefit its own industry.

While the clock is running down on Trump one way or another, companies are worried that any new tariffs could stick, at least for a while.

“We agree that our trading partners must abide by global trade rules, and we support enhanced bilateral engagement with Vietnam to resolve concerns,” the letter said. “However, responding with tariffs would undermine American global competitiveness and harm American businesses and consumers at a time when they can least afford it, as they are struggling from the impacts of COVID-19.”

Vietnam is the second-largest apparel importer to the U.S., accounting for 16.4 percent of all shipments, and has been a key destination for brands looking to avoid Trump’s trade war tariffs on China, which still accounts for 36.6 percent of all apparel imports.

“If additional tariffs are applied to U.S. imports from Vietnam, it would mean that more than half of all apparel and footwear and more than three quarters of all accessories sold in the U.S. would be hit with cumulative tariffs as high as 25 to 50 percent,” the letter said.

Trade groups such as the American Apparel & Footwear Association, whose ceo Stephen Lamar signed onto the letter, have been pushing back against the prospects of new tariffs.

“The administration is clearly trying to finish an investigation before the 20th of January,” Lamar said, referring to the date President-elect Joe Biden will be sworn in. “This is an investigation that came out of nowhere, it’s been accelerated, it’s been expedited. The process is really frustrating to a lot of people, both trade policy professionals as well as the industry. This would be a real punch in the gut if it were to happen. The big concern is the administration may end up imposing tariffs.”

Although Biden could undo the tariffs after taking office, officials could always decide to leave them in place. And even if they do want to walk back the duties, Biden and team are clearly going to have a lot on their plate. As Lamar said, “Is it going to be the first order of business to undo this?”

Meanwhile, U.S. Textile concerns have supported a tougher stand on Vietnam. The National Council of Textile Organizations previously said in its comments to the administration: “The United States textile industry has been severely impacted in recent decades by Vietnam’s unfair and often illegal international trade practices.

As such, our industry supports the president's efforts to rebalance our current trade relationship with predatory competitors by addressing longstanding and highly damaging government-sanctioned initiatives that have allowed state-sponsored economies to unfairly dominate global textile and apparel markets."

The Trump administration has shown at least some willingness to hold off on some of its planned trade actions and leave them for the Biden administration.

The U.S. Trade Representative decided at the last minute to "suspend" tariffs that were planned to counter France's Digital Services Tax and were scheduled to go into effect on Wednesday. The USTR said the move came "in light of the ongoing investigation of similar DSTs adopted or under consideration in ten other jurisdictions.

Those investigations have significantly progressed, but have not yet reached a determination on possible trade actions. A suspension of the tariff action in the France DST investigation will promote a coordinated response in all of the ongoing DST investigations."

Source: wwd.com– Jan 10, 2021

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GOTS Exec Speaks on Cotton Fraud, Covid-19 and More

As the Global Organic Textile Standard (GOTS) program combines a larger part of Asia under new representative Ganesh Kasekar, the fastest-growing region in terms of certification gets a fresh perspective. The need for change is a timely one following a recent discovery of corruption in the supply chain of organic cotton in India, and a disruption of all processes due to the extreme effects of the Covid-19 pandemic in the region.

The GOTS initiative is a stringent global standard for the entire post-harvest processing of cotton, from field to finished product. The certification, which is particularly important in these regions that are large production centers for both cotton and textiles, has been growing dramatically, up more than 67 percent in India, from 1,441 GOTS certified facilities in 2015 to 2,411 in 2019; 469 percent in Bangladesh, from 210 to 1,194, and 94 percent in Pakistan from 142 to 276 over the same period.

For comparison, in 2019 China had 48 GOTS certified facilities, Germany 565, Portugal 301 and the U.K. 75.

Here, Mumbai-based Kasekar speaks with Sourcing Journal about the immediate priorities in the region and some of the key issues ahead.

Sourcing Journal: India leads the world in terms of GOTS-certified facilities, almost five times that of China. What have the changes really been in terms of sustainability in India in the past four years?

Ganesh Kasekar: The acceptance of the sustainability norms has been on a tremendous rise in India for the last four to five years. Sustainability in textiles has a fast pace of change because of renewal, updates in the sustainability standards, and the industry has changed equally fast to cope with these changes. The fashion industry has always been on forefront for accepting the sustainability norms from business perspective.

SJ: What is happening with the tracing back of the corrupt material within the cotton supply chain in India?

G.K. : GOTS has already taken serious and concrete corrective actions on that front. A dedicated global team is active and looking to finding a solution for such activities.

SJ: What do you see as the major bottlenecks in the supply chain in India?

G.K.: The Indian textile industry is highly fragmented and is largely dominated by the unorganized sector along with small- and medium-size players. There are multiple bottlenecks from points like taxation policies, a high attrition level in the garment industry, limited access to the latest technologies, and it also has significant issues of social and environmental parameters.

Apart from that there are other issues like the cost, availability and shortage of raw materials, environmental issues, infrastructure bottlenecks, and shortage of labor, which is sometimes seasonal.

SJ: What is India’s share of the global market for organic cotton production? Has this been growing substantially?

G.K.: India happens to be the world’s largest supplier of organic cotton. Close to 240,000 metric tons of global organic cotton were produced in

2019,3 and out of this India holds a 51 percent share. The second position is occupied by China with a distant 17 percent, followed by Kyrgyzstan and Turkey at 10 percent each. Tajikistan (5 percent), Tanzania (2 percent) and the U.S. (2 percent) follow.

SJ: Your job includes the additional areas of Sri Lanka and Pakistan added on to India and Bangladesh?

G.K.: The apparel sector is growing in Pakistan. There are new business ventures from China entering the Pakistan market. Sri Lanka on other hand is excellent on all fronts. Support from the U.S. and EU has significantly helped the industry there. The industry is providing the largest job opportunity to Sri Lankans, and thereby they sustained the pandemic situation very effectively. Sri Lanka remains a top watch for the next two years.

Bangladesh is a completely textile-dependent country. Eighty-percent of their total exports is of textiles. It is the world's second-largest apparel exporter. It will be interesting to see how Bangladesh maintains the pace and keeps developing.

SJ: How do you see things changing as a result of Covid-19?

G.K.: The challenge was accepted by major players as they changed the track from their regular fashion products to manufacturing of PPE products, with India and Sri Lanka becoming major sourcing hubs for PPE. Many players shall continue to execute orders in this category for the next few months.

The big challenge is the acceptance and long-term continuation of the new work and social norms with a new set of 'Do's and Don'ts' with respect to Covid-19. Yet it is inevitable, and the industry has to live through this.

Source: sourcingjournal.com– Jan 08, 2021

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Pakistan: Trade activity remains stable on cotton market

The local cotton market remained stable on Friday. Market sources told that trading volume was a little bit low.

Cotton Analyst Naseem Usman told the Economic Coordination Committee (ECC) of the Cabinet postponed the approval of the new Textile and Apparel Policy (2020-25) till the next meeting.

The government is set to unveil an ambitious Textile and Apparel Policy 2020-25 laden with cash subsidies and lower rates on utilities worth Rs960 billion to boost production and exports of value-added textile products.

The proposed policy, which will be the third such policy estimates three scenarios that the measures will lift the textile and clothing exports to a minimum of $15.7bn and a maximum of $20.8bn by end of the year 2025.

Well-placed sources told that the Federal Board of Revenue (FBR) has sought one week's time to analyze the revenue implications of the proposed measures under the policy. One of the major recommendations of the textile division is the restoration of the zero-rated regime for the five export-oriented sectors. The facility was withdrawn in the year 2019.

The FBR will take up the issue of a zero-rated regime revival with the International Monetary Fund," the sources said, adding the stakeholders also want its revival to cope with the impact of Covid-19.

Meanwhile, The Pakistan Readymade Garments Manufacturers and Exporters Association has endorsed the demand of PM Advisor on Commerce Abdul Razak Dawood to seek zero-rating regime for whole textile chain in the Textile and Apparel Policy 2020-25, stating the apparel sector is eagerly waiting for the approval of it from the ECC to make future marketing plan in the light of new policy.

PRGMEA central chairman Sohail A. Sheikh and chief coordinator Ijaz Khokhar, in a joint statement issued observed that restoration of the zero-rating status of the textile sector is vital to maintain the momentum of present enhanced exports, as currently the sector is working at full capacity to meet the high demand of export orders.

Naseem also told that a Parliamentary Committee on China-Pakistan Economic Corridor (CPEC) was held at the National Agriculture Research Centre, Islamabad under the Chairmanship of Sher Ali Arbab, MNA.

The Committee was briefed by the Secretary, Ministry of National Food Security & Research and Chairman, Pakistan Agricultural Research Council regarding Pakistan Agricultural Research Council and other projects related to the agriculture sector.

The Chairman, Pakistan Agricultural Research Council (PARC), while sharing 10 years development targets under CPEC, briefed the Committee that PARC's aim is to change Pakistan from a cotton import country to a cotton export country and save foreign exchange of US $1.5 billion.

Besides renovation of existing orchards, the introduction of new varieties, reducing post-harvest losses, improving value chain and development of rural industries are major proposed interventions.

Moreover, ICE cotton futures edged up on Thursday, holding near the previous session's multi-year peak, as market participants expect next week's USDA monthly supply/demand report to show a drop in ending stocks. The cotton contract for March rose 0.20 cent, or 0.3%, to 80.26 cents per lb by 11:48 a.m. EST (1648 GMT).

The contract touched its highest level since December 2018 at 80.93 cents on Wednesday. "The crop is going to be lower and the ending stocks are going to be lower" and these expectations are supporting the market, said Louis Barbera, partner, and analyst at VLM Commodities Ltd.

The closely followed monthly World Agricultural Supply and Demand Estimates (WASDE) report by the US Department of Agriculture is due on Jan. 12.

Meanwhile, the USDA's weekly export sales report showed that net sales of 153,100 running bales (RB) for 2020/2021 were down 47% from the previous week, while exports of 270,000 RB were down 2%.

Louis Rose, director of research and analytics at Tennessee-based Rose Commodity Group, in a note, attributed the gain in prices to drought across West Texas and projections of lower cotton acreage in 2021.

Naseem told that 2000 bales of Dherki were sold at Rs 10,700 to Rs 11,000 per maund, 600 bales of Ghotki were sold at Rs 10,500 to Rs 10,600, 600 bales of Mir Pur Mahelo were sold at Rs 10,600, 1400 bales of Haroonabad were sold at Rs 10,550 to Rs 11,000, 400 bales of Lodhran, 600 bales of Rahim Yar Khan were sold at Rs 11,000, 400 bales of Bagho Bahar, 400 bales of Khan Pur were sold at Rs 10,950, 200 bales of Kichi Wala were sold at Rs 10,550, 200 bales of Chicha Watni, 800 bales of Marrot, 200 bales of Mian Wali, 20 bales of Shuja Abad were sold at Rs 10,500 and 1600 bales of Yazman Mandi were sold at Rs 10,200 to Rs 10,500.

Naseem also told that rate of cotton in Sindh was in between Rs 9700 to Rs 10,400 per maund. The rate of cotton in Punjab is in between Rs 9800 to Rs 10,500 per maund. He also told that Phutti of Sindh was sold in between Rs 3800 to Rs 4700 per 40 kg. The rate of Phutti in Punjab is in between Rs 4000 to Rs 5500 per 40 Kg.

The rate of Banola in Sindh was in between Rs 1600 to Rs 2000 while the price of Banola in Punjab was in between Rs 1750 to Rs 2200. The rate of cotton in Balochistan is Rs 10,000 per maund.

The Spot Rate remained unchanged at Rs 10,500 per maund. The Polyester Fiber was available at Rs 183 per Kg.

Source: brecorder.com– Jan 09, 2021

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Pakistan: Comprehensive policy shift planned to overhaul textile, apparel value chain

The government has evolved a comprehensive package for textile and apparel value chain to promote local production and exports from the country.

The package will be announced as part of textile policy for specific sectors — cotton, manmade fibres, natural fibres, ginning, spinning, knitting, weaving and processing, apparel and made-ups/home textiles, carpets, and handicrafts.

Official documents seen by Dawn showed that the sector-specific measures will be implemented in phases to provide uninterrupted supply of raw materials and semi-finished products to local manufacturers of the value-added sectors.

As part of the package, the Ministry of Commerce looks to attract international and domestic seed companies to introduce latest seed technology in the country. Increase in yield will also address the issue of profitability in cotton farming.

The government is also planning to re-introduce cotton hedge trading to facilitate farmers and value-added exporters. This model has successfully been operating in other countries. Moreover, provinces will be encouraged to implement the Cotton Control Act and cotton exporters will be encouraged to improve quality and avoid any chance of depressed cotton prices.

The Ministry of Commerce in consultation with stakeholders will also introduce the grading-based cotton marketing mechanism. The commerce ministry will join hands with the Ministry of Food Security to increase cotton area, production and importantly yield. Further, scope of the Better Cotton Initiative (BCI) will be enhanced to ensure bulk availability of BCI-certified cotton to textiles and apparel value chain.

Under the plan, the government will rationalise tariff and customs duty drawback rates on man-made fibres (MMF) and filaments-based value chain. International firms will also be invited for investment to bridge the demand and supply gap in the fibre-filament production.

In addition, the MMF, not being manufactured locally, will be made duty free. A committee would be constituted for development of wool, jute, silk, hemp, and other natural fiber-based textiles and apparel value chain. Till the development of these sectors, the raw and semi-processed materials will be under in zero import tariffs.

The ministry is also working to upgrade ginning technology immediately whereas the provincial departments will be tasked to link technology up-gradation of ginning sector with the licenses.

Furthermore, the government will discuss the way forward to convert ginning sector into service industry and policy measures will be devised as the move along with the introduction of hedge trading will help farmers get fair price.

The documents noted that the spinning, knitting, weaving and processing sectors have highest share in large scale manufacturing and the availability of yarn and fabric has provided lead time advantage to Pakistani downstream value-added export-oriented sectors over competitors.

Measures such as review of the Long Term Financing Facility (LTFF) to include indirect exporters, review of customs duty drawback, and simplification of temporary importation schemes, inter/intra transfer, common bonded warehousing and tariff rationalisation of entire value-chain will encourage investment in these sectors.

It has been noticed the world over that trend has been shifted in favor of finished products, i.e. apparel and made ups. For rapid growth of these sectors, the government will initiate skill development programmes, review labour laws and role of regulatory organisations, international and domestic labour compliances but more importantly simplify temporary importation schemes for the availability of raw materials and accessories.

Moreover, new garment cities will be established to provide state-of-the-art infrastructure to the small and medium enterprises for plug and play machinery installment.

Carpets, especially of hand-woven category, will be given due importance as value-added made-up industry in the country. The commerce ministry will initiate programmes to support sector in skill development, technology upgradation, design innovation, infrastructure support and marketing.

Pakistan's artisan economy is troubled because of non-legislation for production and marketing of handicraft products, non-existent international networking assistance, lack of design and skill enhancement facilities and absence of credit facilities from banks and financial institutions.

The Ministry of Commerce will emphasise on collaborative approach to support handicraft sector and offer support in skill development, technology -upgradation, design innovation, infrastructure support, and -marketing.

Artisans will also be encouraged by offering opportunities and financial support to display their art and products in national as well as international exhibitions.

Meanwhile, the policy envisaged increased women participation in order to promote the apparel sector. In this regard, the commerce ministry will review labour laws specially to allow women to work in three shifts.

The commerce ministry will take measures in consultation with private stakeholders and concerned government vocational training organisations to initiate mass level female-exclusive textiles and apparel training programmes especially in apparel stitching.

The commerce ministry will consider to link support measures to provide facilitation to women at workplace such as day-care center, pick and drop, etc.

Source: dawn.com– Jan 10, 2021

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Pakistan: Time to walk on a different path

Pakistan's textile industry expects the Economic Coordination Committee (ECC) to approve the new five-year textile policy, the country's third, carrying unprecedented cash and energy price subsidies to increase the country's textile and clothing exports to $20.8 billion in five years, this week.

The approval of the policy was delayed for a week because the finance ministry wanted the Federal Board of Revenue (FBR) to examine the revenue implications of the suggested incentives including unprecedented cash and energy price subsidy and restoration of the zero-rated status of the exporters.

According to the published reports, the textile policy 2025 pledges interventions totalling more than Rs950bn or almost $6bn, including cash subsidy of Rs400bn and energy price subsidies of Rs350bn over five years to boost the textile and clothing exports.

Textiles make up almost 60 per cent of Pakistan's exports but have lost market share to regional competitors like Bangladesh, India and Vietnam in recent years owing to energy shortages and underinvestment in machinery. In the last few months, the industry has been operating at its full capacity as the American and European buyers are diverting their orders to Pakistan since it lifted the virus restrictions with Bangladesh and India keeping their economies closed.

Exporters claim that the industry has had its order books full for much of 2020-21. Pakistan's outbound textile and clothing shipments topped $6bn in the first five months of the current fiscal year to November, or 62pc of the total exports of $9.7bn and almost 5pc higher compared to last year.

Khurram Mukhtar, former Pakistan Textile Exporters Association chairman, listed five key reforms that had helped the industry turn around: reduction in energy tariffs for exporters, decrease in the interest rates, payment of sales tax and other refunds, market-based exchange rate, and availability of subsidised working capital and long-term financing. "The entire textile value chain is running at full capacity and this is unprecedented."

He believes that the early approval of the new policy would give clarity to the industry for next five years and attract investments in capacity expansion and in new products to not only maintain its current market share but also enhance it. "We need to invest $7bn to enhance production capacity and double our textile and clothing exports in five years. Currently, new investments of more than Rs100bn are already in the pipeline across the value chain from spinning and weaving to finishing to knitting and garments," he said.

The new policy proposes the provision of energy price subsidies of Rs350bn by supplying electricity to the industry at $0.09 per unit and gas at $6.5MMBtu (one million British Thermal Units) in addition to allocating Rs400bn for payment of Drawback of Local Taxes and Levies (DLTL).

Mr Mukhtar sought to dispel the impression that the finance ministry or any other stakeholders were opposed to the incentives for the industry. "All the stakeholders are on board. Even the International Monetary (IMF) Fund is also on board. The policy will be approved by the ECC in its next meeting."

However, he agreed that the government may not implement the suggestion of restoring the zero-rated status of the industry, which was withdrawn in 2019 after the government got a $6bn loan deal from the IMF to support the country's deteriorating balance-of-payments situation. Besides, the government may also not agree to the demand to reduce the power tariffs for the exporters to $0.09 a unit from $0.75 a unit. "We want the government to give us what it can for five years so that we work and invest accordingly with peace of mind," he concluded.

The previous two textile policies 2009-14 and 2014-19 had allocated incentives worth Rs188bn and Rs65bn to achieve the export targets of $25bn and $26bn. Both the policies failed to raise the exports as only a fraction of the amount set aside for interventions was actually spent.

The textile industry, which comprises 46pc of the manufacturing, employs around 38pc of the non-farm labour and contributes 8.5pc to GDP, is often considered by successive governments as a low-hanging fruit as they try to boost exports. However, none of the efforts has succeeded as yet and the textile and clothing exports remain stuck at around $13bn a year for almost the last one decade with Bangladesh, Vietnam and India having increased their market share much more rapidly than Pakistan.

The industry sources say the policy gave a comprehensive framework from developing quality cotton seed to boosting value-added textile and clothing exports to creating jobs — especially for women in garment stitching — to developing international brands to boosting e-commerce to make the country part of the global value chain. The government says the policy is focusing on market and product/fibre diversification both.

M I Khurram, former Pakistan Hosiery Manufacturers Association chairman and a leading knitwear exporter from Lahore, said the government should implement the policy at the earliest. "The cost (of the proposed subsidies) may appear to some as steep but it is not.

The benefits that the country would accrue in terms of new investment, technology transfer, automation, job creation and above all enhanced exports will be tremendous. How long can we live on borrowed money? It is time the government provides us with a level playing field so we can earn dollars for it."

He said the government should also start payment of outstanding DLTL refunds to exporters. "With the repayment of the wage loans obtained by the industry now starting and imported cotton prices jumping from $0.70 per pound to $0.88 per pound, the exporters have already started to feel liquidity crunch. The early release of the DLTL refunds on the pattern of sales tax claims should go a long way helping the exporters."

Mr Mukhtar added that the value-added sector was facing yarn shortages, which had spiked its prices in the local market. He was of the view that the government should declare cotton and yarn as essential commodities and allow import from India. “If the shortages persist it will become difficult for us to manage our export orders and the buyers will go back to their previous suppliers.”

Source: dawn.com– Jan 11, 2021

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Bangladesh: Distant climate actions are dooming global apparel industry

We are hearing a lot of businesses and brands make pledges about the climate at present. Along with pledges to cut climate emissions, there is talk of cutting water use, chemical use, and addressing a range of other supply chain issues. The overall goal is to improve sustainability.

But are we doing enough? We've been talking about the climate issue for many years. We are all aware of the risks that the earth is facing and we keep being told that "business as usual" is no longer an option.

In the meantime, businesses set distant, often vaguely worded, targets. Sometimes these targets are two to three years away, but in many cases, businesses are setting targets for 2030, 2035, 2040, and beyond. This is way, way too late. We lost the luxury of setting these far-off targets a long time ago. High-level climate talk is one thing, but more than anything, we now need meaningful, concrete actions on the ground. Not in the future, but now.

"Climate change will impact the way we will do business moving forwards," we hear people say at high level meetings. Well, climate change is already impacting business in the global textile industry, and on quite a significant scale if one begins to connect the dots.

In Australia, the cotton production in 2019-2020 was almost a quarter of the size it was two years ago, due to the impacts of drought and reduced water allocations. Australia might only account for about 4 percent of the global market for cotton but, nonetheless, in an average year, the country produces enough cotton to clothe 500 million people around the world.

Australia is no stranger to drought conditions, but last year has been dreadfully difficult for sheep farmers, even by historical standards. Many local observers believe climate impacts are at play.

There is more. Back in June last year, it was announced that India's cotton imports are likely to rise by 80 percent this crop year due to a short supply of quality material for textile mills. Data compiled by Cotton Association of India (CAI), forecasts raw cotton import at 2.7 million bales for the season, compared to 1.5 million the previous year. The CAI said the major reason for a forecast rise in imports was drought in the major growing states of Maharashtra, Telangana, Gujarat, and Andhra Pradesh, while the quality of late picked crop was poor due to the lack of moisture in the field.

This really is a global issue. In the US, many cotton growers have been hit by hurricanes for three years running. Has there ever been a time where the impact of climate on business has been so clear and obvious? It is hard to think of one. This comes back to the point made earlier about this no longer being an issue which we can be discussing in a future tense. Climate impact is happening right here, right now.

What's more, with the above we have only looked at examples where extreme climate conditions have potentially impacted textile supply chains.

What about the other way round? What about how textile supply chains impact climate? We all know there are major issues to address here. We know polyester, the most commonly used fibre in textiles, has seen a doubling in production since 2000. We also know a polyester shirt produced from virgin polyester has a significant carbon impact—around 5.5 kg CO_2 according to some studies.

We know the impact that cotton products have, with their huge use of water use right though the supply chain, during cotton growing, processing and the transformation of cotton into garments. The message, then, is that not only are climate impacts here, but textile supply chains continue to make them worse—and at an accelerating rate as clothing output increases in line with population expansion and the growth of the middle classes.

Climate impacts are happening and textile supply chains are making them worse. So, long-distant target setting, even medium-distant targets, are becoming irrelevant. We need answers, and we need them to be implemented, not in 10 years' time but today.

The technology and know-how is ready and waiting, so our whole industry, our complete value chain, should be using it. Technology is available that allows us to dramatically reduce the amount of water used in textile processing. There is CO_2 dyeing technology which uses no water at all. It has been around for years.

Why is it not being used? There are safer textile chemicals which have less or no impact on the environment, yet parts of the industry still go with the cheapest available from un-reputable suppliers, which are often harmful. Why? Recycled polyester is vastly available. Why is virgin polyester still used in such abundance? I could name many more examples, but hopefully readers get the point.

Each and every one of us in the value chain should be looking within and recognising that, where climate is concerned, if we are not part of the solution, we are part of the problem.

Source: thedailystar.net– Jan 11, 2021

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Bangladesh RMG export earnings drop in 2020

The readymade garment (RMG) manufacturing export earnings, the backbone of Bangladesh's economy dropped 2.99 per cent to $15.54 billion.

As per data from Export Promotion Bureau (EBP) RMG contributes 84 per cent to the national exports. While the overall garment export observed an extraordinary 16.94 per cent year-on-year drop in 2020.

Rubana Huq, President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) 2020 was a dark year for the industry with lockdowns in Europe and the US and its impact on retail and demand, the worst-ever Christmas sales, and effects of price decline.

Of the export earnings, knitwear shipment earned $8.52 billion, up 3.9 per cent compared to a year ago, while woven exports declined 10.22 per cent to $7.01 billion. However, knitwear export rose as consumers mostly wear casual dresses with stay and work from home.

EPB data also showed that apparel export was down 9.64 per cent in December as the pandemic continues to pound the global economy. Last month, woven garment export recorded the worst performance since June plunging 18.07 per cent.

While knitwear export fell 0.45 per cent. One of the key reasons for knitwear growth was easy sourcing of raw materials for local manufacturers. Whereas the majority of raw materials required to produce woven garments, need to be imported.

Source: fashionatingworld.com– Jan 08, 2021

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NATIONAL NEWS

Smriti Irani lauds textiles sector for production of masks, PPE kits

Union Minister Smriti Irani on Saturday lauded the textiles industry for its commendable work in upping production of PPE kits and masks multi-fold amid the coronavirus pandemic.

Irani, who also holds the textiles portfolio in the Union Cabinet, was here to inaugurate the three-day Surat International Textile Expo (SITEX 2021).

Speaking at the inaugural event of SITEX-2021, Irani commended the textiles industry for setting an example of "self-reliant India" by gearing up to produce PPE kits and masks for the country to deal with the coronavirus pandemic.

"While before the pandemic, there was not a single company in the country producing masks and PPE kits, after the pandemic, around 1,100 such companies became operational. From two, the number of companies manufacturing N-4 masks rose to 250," she said.

In just three months, India has become the second largest manufacturer of masks and PPE kits in the world, she said.

In the production of masks and PPE kits, industries have adhered to WHO standards as well as the policy of non-compromise with quality, she added.

In SITEX-2021, 110 stalls of textile machinery and accessories manufacturers have been set up to showcase world class technology, officials said.

Source: business-standard.com– Jan 09, 2021

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NCTC appeals to PM Modi seeking removal of anti-dumping duty on viscose staple fibre

The National Committee on Textiles and Clothing (NCTC)has appealed to Prime Minister Narendra Modi seeking removal of anti-dumping duty on viscose staple fibre and redressal of VSF spun yarn availability and price issues to prevent job losses across the VSF textile value chain.

Taking a serious view of the high price of viscose staple fibre (VSF) in India, captains of various segments of VSF value chain including the Apparel Export Promotion Council, the Confederation of Indian Textile Industry, the Clothing Manufacturers Association of India, the Indian Spinners Association and the Powerloom Development Export Promotion Council under the common platform of the NCTC have submitted a joint representation to the Prime Minister.

The representation seeks the removal of “anti-dumping duty on import of VSF to achieve global competitiveness and accomplish the target of USD 350 billion by 2025 set by the Ministry of Textiles for the textiles and apparel sector”.

The NCTC observed that owing to the growing demand for viscose staple fibre and its blended textiles and clothing market opportunities, the demand for viscose staple fibre has increased steeply not only in India, but also across the globe.

“As the imported yarn price was cheaper due to high anti-dumping duty prevailing on the domestic viscose staple fibre, the weaving and knitting sectors have been importing large volume of VSF spun yarn.

The import of VSF spun yarn has increased from 2 million kgs during 2016-17 to 56 million kgs during 2019-20,” the committee stated.

The NCTC also highlighted in the appeal that “in the post-Covid market scenario, VSF price has increased from USD 1.15 to USD 1.50 per kg during the last few months”.

“As the domestic VSF price was expensive due to anti-dumping duty (up to USD 0.512 per kg), the demand for domestic spun yarn got reduced and therefore, the availability and price are affecting the entire VSF value chain especially the knitted and powerloom sectors," said the committee.

It observed that all the major VSF powerloom clusters in the states like Tamil Nadu, Maharashtra, Gujarat, etc are agitating against the steep increase in VSF prices.

"In view of the above, NCTC has appealed to the Prime Minister to remove the anti-dumping duty levied on viscose staple fibre on a war footing to address the burning issue, grab the emerging market opportunities and to protect the livelihoods of several lakhs of workers employed in the VSF textile value chain. This is the second appeal to the Prime Minister, in this regard," it stated.

Source: financialexpress.com– Jan 10, 2021

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Labour Ministry likely to shape National Employment Policy by December 2021

NEP would take a shape based on the data inputs of these four surveys, says Director General of Labour Bureau

The Ministry of Labour and Employment is likely to shape the National Employment Policy (NEP) by December this year following the implementation of four labour codes and completion of four major surveys, including one one migrant workers.

The NEP will draw a broad road map for improving job opportunities in the country, mainly by various initiatives like skill development, bringing investment in employment intensive segments and other policy interventions.

Last year, Parliament passed three labour codes on Industrial Relations, Social Security and Occupational Health Safety & Working Conditions (OSH).

The Code on Wages was approved by Parliament last year and its rules have been firmed up. But the implementation of the rules for Code on Wages was held back because the Government wanted to implement all four labour codes in one go. These four codes are likely to be implemented from April 1 this year.

The implementation of these four labour codes would provide a conducive legal framework for universalisation of social security and other safeguards for the entire workforce of over 50 crore in the country.

But for job creation, a broad NEP would be required to exploit the potential of each segment of different sectors of the economy. This would require up-to-date data on employment across the sectors in the country. This gap would be bridged by the four employment surveys to be conducted by the Labour Bureau, a wing of the ministry.

Director General, Labour Bureau, D S Negi said that the bureau has begun spadework on the four surveys and field work would begin by March and the results would be out by October-end this year only.

He said the NEP would take a shape based on the data inputs of these four surveys by December this year only.

Thereafter, the NEP would be sent for the approval of the Union Cabinet.

The document is expected to aid employment generation in the country to a great extent, especially when the government is grappling with the issue of job loss especially due to the pandemic.

Earlier last month, Labour Minister Santosh Gangwar had also said that the four all India surveys on migrant workers, domestic workers, employment generated by professionals and transport sector which will be launched by early March, 2020 and the results of these will be available by October 2021. The minister had opined that for any evidence-based policy making for these workers, 'authentic data' on employment in organised and unorganised sector enterprises is highly called for.

The minister had also informed that the bureau will soon launch an 'All India Quarterly Survey' on Employment of Enterprises' that will provide comprehensive data on the employment numbers in both the organized and unorganized sectors to address these data needs.

Source: thehindubusinessline.com– Jan 10, 2021

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Indian economy heading towards V-shaped recovery in 2021: Assocham

India's economy is showing decisive signs of a 'V-shaped' recovery in 2021 with the return of consumer confidence, robust financial markets, an uptick in manufacturing and exporters braving it out in the global market with never-say-die spirit, Assocham said on Sunday.

The industry chamber said it expects immense accruals of economic benefits from the COVID-19 vaccination programme about to be rolled out.

"The high-frequency data is a strong pointer to a V-shaped recovery in 2021 with the seeds bursting into green shoots over the last two months of 2020 itself," Assocham Secretary General Deepak Sood said.

India's GDP is estimated to contract by a record 7.7 per cent during 2020-21 as the COVID-19 pandemic severely hit the key manufacturing and services segments, as per government projections released on Thursday.

"With India about to roll out its vaccination programme with approvals of the two vaccines, the accruals of the economic benefits would be significant, especially to sectors such as hospitality, transportation, entertainment, which were hit hard during the pandemic," Sood said.

According to Assocham, the most definitive of the data is the record collection of Rs 1.15 lakh crore in the Goods and Services Tax (GST) during December.

"The state-wise collection showed the fightback spirit in consumer confidence. Illustratively, the largest consumption state of Maharashtra, which was amongst the severely affected by the COVID-19 pandemic, has posted a healthy growth of seven per cent in GST collection; even as the total GST mop-up was up 12 per cent year-on-year," Sood said.

He said the Budget for 2021-22 would be a major catalyst. "Great focus on healthcare, agriculture and revival of demand would be imperatives in Finance Minister Nirmala Sitharaman's Budget".
The entire healthcare value chain from hospitals to medical education, primary health centres, scientific laboratories and further to the

pharmaceutical industry along with the logistics is most likely to receive a booster shot of support from the forthcoming Budget, Sood added.

Source: financialexpress.com– Jan 10, 2021

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Smriti Irani inaugurates three-day Surat textile expo

Union Textile Minster Smriti Irani on Saturday inaugurated the three-day Surat International Textile Expo (SITEX), an exhibition of textile technology and machinery, at Surat International Exhibition and Convention Centre in Sarsana.

The exhibition is being conducted by the Southern Gujarat Chamber of Commerce and Industry (SGCCI) and Southern Gujarat Chamber Trade and Industries Development centre, the first such exhibition to be conducted since the Covid-19 outbreak..

Over 110 exhibitors from different parts of the country had booked their stalls in the pillar-less dome structure at convention hall, where the exhibition will be held.

Speaking to the industry people in the platinum hall at the convention centre, Irani said, "While visiting the exhibition hall, I reached a stall and felt proud after seeing the best example of Make in India concept done by one Chandrakant Patil. He shared details about the he had made the textile machine in just two months during initial days of the Covid-19 pandemic. The cost of imported machinery of same machine is Rs 50 lakh and he had made it at half the price."

"Four years ago, I attended similar program in Surat where I met former president of SGCCI Hetal Patel. I still remember that Hetalbhai had assured me of converting the industry to technical textiles and added that it will take time. Technical textile is like sunrise industry. The tag of sunrise industry is given to those industries whose gestation and turn around period is long. The production of N-95 masks and PPE suits is one of the biggest example of that," she added.

The minister further said that four year ago the textile industry people had told her that they will compete in the export market.

"I told them to get HSN (Harmonized System of Nomenclature) code. In last four years, the industry has 207 HSN codes, and are trading in technical textiles which increased by 60 per cent while negative trade balance in technical textile has reduced by 50 percent," Irani added.

She added, "When the coronavirus knocked our doors in March, when all international borders were locked, all the industry leaders knew that we don't have the capacity to make PPE suits of world standard. Through textile ministry, we have intimated all the industry players and even chambers across the country that if you decide, you can do it.

Now it has been proven that you have done it. For manufacturing PPE suits, there were zero companies, and today ,1100 companies are doing business of Rs 7,500 crore business."

Irani was accompanied by Minister of State for Woman and Child Development Debasree Chaudhari, His Excellency Agus Prihatin Saptono, Counsulate General of Republic of Indonesia, who was the guest of honour, and Mumbai Textile Commissioner Roop Rashi.

Chaudhari said that BJP will form a government in West Bengal, her home state, and will make it Gujarat.

"Mein jis kshetra se aa rahi hu, Paschim Bengal se, vahan hammesha virodhi log bolte hein ke hum paschim Bengal ko Gujarat banana nahi denge. Aur hum BJP log bolte hein hum Paschim Bengal mein BJP sarkar jarur banayenge…Bangaldesh aur Pakistan nahi banayenge, (I come from West Bengal. There, the Opposition says that they will not let West Bengal be like Gujarat. We, BJP, tell them that we will definitely form a BJP government and make it Gujarat, and will not make it Bangladesh or Paksitan)," she said.

During the event, SGCCI president Dinesh Navadia and vice-president Ashish Gujarati submitted demands made by the textile industry to Irani.

Source: indianexpress.com– Jan 10, 2021

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7 Mega textile parks on lines of China, Vietnam in the works

India is likely to develop seven mega textile parks, on the lines of China and Vietnam, as part of a plan to double the industry size to $300 billion by 2025-26.

The textiles ministry has readied a Cabinet note on the proposed national textiles policy, which seeks to position India as a fully integrated, globally competitive manufacturing and exporting hub.

The policy covers the entire spectrum of textiles, silk, handloom and exports, with a focus on employment generation and environment. MITRA (Mega Integrated Textile Region and Apparel) parks are a key element of the policy to attract investment in the sector.

“There is a proposal to set up seven such parks," an official in the know of the details said. Similar parks already exist in China, Vietnam and Ethiopia where the entire textiles value chain is covered, he added.

These seven parks would be set up on over 1,000 acres of land and will have uninterrupted water and power supply, common utilities and research and development labs.

India has already sanctioned 59 textile parks under the Scheme for Integrated Textile Parks (SITP), of which 22 have been completed. However, their slow progress due to delays in obtaining land and other statutory clearances from state governments and tardy fund mobilisation, have prompted the government to develop MITRA parks.

Under the SITP, which was launched in 2005, infrastructure for textile units was to be developed in a public-private partnership model, with the government granting up to 40% of the project cost, subject to a ceiling of ₹40 crore for each park.

Source: justdial.com– Jan 10, 2021

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Indian cotton yarn price boom may last till March '21

India's cotton textile industry is experiencing a boom after more than a decade. The last two years were bad for the sector with little expansion. The current boom is expected to last till at least March 2021.

The price per kilogram (kg) of woven cotton yarn increased from ₹193.81 in August last year to ₹267 in January this year—a 37.7 per cent rise.
Indian cotton year extends from October to September.

The prices in September, October, November and December were ₹205.23, ₹210.45, ₹235.10 and ₹242.22 respectively, according to Fibre2Fashion's market analysis tool TexPro. The January 2021 price is 10.23 per cent more than the price in the previous month.

The sharp rise in cotton yarn prices in the last few weeks is because of dried-up inventories as supplies have failed to match demand and spinning mills resumed operations late across the country.

Cotton fibre price has not risen significantly but cotton yarn has because of high domestic and export demand. Huge orders are coming in from Bangladesh and Vietnam.

Labour was limited during lockdown-induced factory closures that resulted in limited produce. When demand rose later, traders and agents started selling to those who were ready to pay higher prices, and therefore, prices witnessed a significant rise in the last six months.

The prices per kg of 30s count combed cotton yarn were ₹190, ₹215, ₹225 and ₹240 in September, October, November and December last year. Its price is ₹260 per kg now-an 8.33 per cent rise over the December figure and a 36.84 per cent rise over the September price.

The margin expansion—an increase in the rate of profit made on a product—is the highest to date.

Weaving charges have also risen from 12-15 paise/pick to 20-24 paise/pick.

Source: fibre2fashion.com– Jan 08, 2021

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Cargo traffic at 12 major ports falls for nineth straight month in December

Cargo traffic fell nine per cent in April-December period

Impacted by Covid-19 pandemic, India's top 12 ports witnessed a considerable decline in cargo traffic for the ninth straight month in December to 478 million tonnes (MT), according to ports apex body IPA.

Cargo traffic at 12 major ports that are under the control of the Centre dropped by 8.80 per cent to 477.75 million tonnes (MT) during April-December this fiscal compared to 523.84 MT in the same period last financial year.

Ports, Shipping and Waterways Minister Mansukh Mandaviya had recently said the cargo traffic at 12 major ports declined considerably March onwards due to the adverse impact of Covid-19 pandemic.

All ports barring Mormugao -- which recorded a 23.28 per cent increase in cargo handling to 14.53 MT -- saw negative growth.

Cargo handling at Kamrajar Port (Ennore) nosedived 26.60 per cent during April-December to 17.19 MT, while ports like Mumbai, Chennai and Cochin saw their cargo volumes dropping by over 14 per cent during the said period. JNPT and VO Chidambarnar suffered a sharp decline of over 12 per cent.

Deendayal Port reported an 8.70 per cent drop in cargo volume, while cargo handling at New Mangalore slipped 6.56 per cent. Paradip Port recorded a decline of 1.41 per cent.

India has 12 major ports under the control of the central government -- Deendayal (erstwhile Kandla), Mumbai, JNPT, Mormugao, New Mangalore, Cochin, Chennai, Kamarajar (earlier Ennore), VO Chidambarnar, Visakhapatnam, Paradip and Kolkata (including Haldia).
In the wake of the Covid-19 outbreak, sharp declines were witnessed in the handling of containers, coal and POL (petroleum, oil and lubricant), among other commodities.

These ports handle about 61 per cent of the country's total cargo traffic. They handled 705 MT of cargo last fiscal.

Mandaviya had told Parliament in September that there was a considerable decline in the total traffic, containers traffic and other than containers traffic in March, April, May, June, July and August, 2020 as compared to the corresponding months in 2019.

The minister, however, had added that recovery has started since June 2020.

Source: thehindubusinessline.com– Jan 10, 2021

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India ushering in rapid structural reforms to become USD 5 trn economy by 2025: Goyal

India is strengthening the entire ecosystem to achieve Prime Minister Narendra Modi's dream of becoming a USD 5 trillion economy by 2025 through rapid structural reforms, Union Minister Piyush Goyal said on Saturday.

Addressing the Pravasi Bharatiya Diwas conference, the Commerce and Industry Minister said: "We are working simultaneously to bring about a quantum leap in our quality, in our productivity, in our efficiency, so that Indian Industry can truly expand our export basket, making it bigger, better and broader".

The minister observed that new markets were being explored aggressively to enhance the reach of Indian products globally. "The Indian diaspora living abroad have more familiarity with consumer markets. You have unique insights into consumer behaviour and can guide Indian Industry to develop customised products for foreign markets," Goyal said.

The minister said the disruptions due to COVID-19 have made everyone realise that one needs to dare to do great things.

"Otherwise we may lose our ability to be a global leader. This is the philosophy behind Aatmanirbhar Bharat. It is not about closing doors but to open the doors wider to build India's capability and capacity and our resilience with speed, skill and scale," Goyal said.

He highlighted that through rapid structural reforms, India is strengthening the entire ecosystem to achieve the Prime Minister's dream of a USD 5 trillion economy by 2025. "Our holistic approach consists of improving the ease of starting a business, ease of doing a business, and ease of growing our businesses," Goyal added.

The minister pointed out that India is growing rapidly and offers a plethora of opportunities for Indians both in India and across the world. "Our wish is that our brothers and sisters from across the world become the first to avail these opportunities."

"Let us fulfill our duty to our motherland with determination and devotion and develop India into a leader, a participant in resilient global supply chains into a dominant player in international supply trade," the minister said.

Source: financialexpress.com– Jan 09, 2021

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'Developing nation': India for voluntary forgoing of benefits

Amid persistent attacks by the US on countries, including China and India, for "self -designating" themselves as developing nations at the World Trade Organization (WTO) to enjoy special and differential trade benefits, New Delhi has rooted for a policy of voluntary forgoing of such a status.

India has also called for expeditiously restoring the almost disfunctional Appellate Body of the WTO for dispute resolution, without diluting its core features. The US has blocked the appointment of judges, thus crippling the WTO's appellate mechanism. In its recent submissions with the WTO, India has also stressed that any reform agenda must be "development-centric, preserving the core values of the multilateral trading system and strengthening the provisions of special and differential treatment" for poor and developing countries in both existing and future agreements.

Meanwhile, India's seventh Trade Policy Review (TPR) at the WTO concluded in Geneva on Friday. The TPR is a mechanism under the WTO in which members' trade and related policies are examined by the trade body with an aim to improve adherence to its rules.

"The premise that developing country Members, who consider themselves in a position to do so, may voluntarily decide to forgo the S&DT (special and differential treatment) in current and future negotiations appears to be a more acceptable solution," India has said in its submission in November.

US President Donald Trump had expressed disappointment with the WTO for allowing nations that, he believed, were actually rich to "self-designate" themselves as developing countries to grab assorted benefits. His administration had sought a review of this policy, among others.

The special and differential treatment allows developing countries longer time frames to implement commitments and greater flexibilities in adopting measures to improve their presence in global markets.

For instance, developing countries are allowed to provide considerably larger input subsidies and minimum price support (they can offer product-specific farm subsidies up to 10% of the value of production, against 5% for developed countries, although the latter enjoy other flexibilities). Further, developing countries will continue to provide indirect export subsidies, covering internal transport and marketing, until 2023, five years after the deadline for elimination of all forms of export subsidies.

At the meeting, India stressed that S&D treatment for all developing and least developed countries is a core principle of the WTO that needs to be preserved. "While some developing members may have made progress, the gaps in the levels of development still persist and have even widened in some areas," it said. Further, new divides, especially in the digital and technological spheres, have become more pronounced.

As FE has reported, analysts say while the US demand for a change in the status quo has some merit, as some of the richest countries — such as Singapore, South Korea, Saudi Arabia, Brunei, Hong Kong and Qatar — and the world's largest goods trader, China, claim to be developing to enjoy certain benefits, targeting India in the same breath is disingenuous by any stretch of imagination. This is because in several indicators of development, such as per capita income, poverty, undernourishment, hunger, farm employment and adoption of B2C e-commerce, India still lags even some of these developing nations.

India also highlighted that the resolution of the impasse in the Appellate Body must precede other reforms, as “there is little incentive in negotiating new rules in the absence of an independent and effective guarantor of those rules”.

Any agenda for reform must also preserve the multilateral character of the WTO, including consensus-based decision making. “In order to be widely acceptable, discussions on WTO reform should be premised on the principles of inclusivity and equity,” India said.

A good starting point for the reform agenda would be the elimination of unequal and trade-distorting entitlements of developed countries in the Agreement on Agriculture.

According to a paper submitted with the WTO earlier by India, China and others, the US’ domestic support per farmer was $60,586 in 2016, 267 times of India’s ($227), although Beijing’s support ($863) was almost four times of New Delhi’s. Massive subsidies have led to huge competitive advantage of farm products of developed countries in the global market. While agriculture accounts for less than 2% of the total employment in the US, it is as much as 44% in India and 20% in China.

Source: financialexpress.com– Jan 09, 2021

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Smart manufacturing for MSMEs: How small businesses can overcome barriers to Industry 4.0 adoption

Ease of Doing Business for MSMEs: As the pandemic propels a speedy shift towards automation, micro, small, and medium enterprises (MSMEs) need to be made part of this transition to ensure more inclusive growth and faster poverty alleviation.

The Coronavirus outbreak caught digitally unschooled companies on the back foot. In the aftermath of the pandemic, industrial automation has seen an acceleration across sectors as it had a visible impact on operations in factories due to the fear of infections. Conversely, digital natives managed to keep operations ticking from the outset as they were conversant with the remote working model.

Indeed, digitally savvy companies have been part of the ongoing Industry 4.0 paradigm from its early days, introducing automation in their traditional manufacturing and industrial activities by deploying smart technologies. Besides automation, smart business and manufacturing practices comprise big data capabilities the Internet of Things, artificial intelligence, machine learning, and more.

Fourth Industrial Revolution Benefits

The pandemic only accelerated this transition as more corporates quickly realized the advantages of remotely managing industry operations backed by the right levels of cybersecurity. As a result, these companies kept their BCPs (business continuity plans) going notwithstanding lockdown restrictions and minimal access to their physical units.

Learning from how the digitally connected entities better-managed supply chain disruptions, some of the digital latecomers have been fast-tracking digital and automation programmes. Supported by 24×7 connectivity, automation, advanced analytics, and smart manufacturing practices, ‘acceleration’ is the buzzword in adopting norms of Industry 4.0 or the Fourth Industrial Revolution. Additionally, automation and AI-enabled tools are especially beneficial for sectors grappling with a severe shortage of workers. Some of the latter migrated to their native towns due to the closure of manufacturing units during the nationwide lockdown.

Despite multiple advantages of Industry 4.0, one crucial segment is missing the digital journey – MSMEs. Significantly, MSMEs play a pivotal role in India’s economic development by driving employment, exports, and inclusive growth opportunities. A silent pillar of India’s socio-economic progress, with about 60 million players the segment contributes to 45 per cent of the total industrial production and 40 per cent of its total exports. As per a report by the SME Chamber of India, MSMEs, manufacturing segment accounts for 7.9 per cent of GDP while its total contribution to GDP is 37.54 per cent and it also contributes to 30.50 per cent of services.

Most MSMEs confront major barriers in adopting Industry 4.0 practices, continuing with their old-world business practices and technologies based on Industry 3.0 or Industry 2.0 environments. This can be addressed by the adoption of a known standard IEC 61499 which allows for interoperability, which is quite required for this segment. By eliminating much of the hard work involved with adopting automation technologies, IEC 61499 makes automation potentially universal (ensuring interoperability and portability)

– able to streamline processes from raw material handling to machine maintenance to finished goods and services.

Not just India, MSMEs are crucial for the global economy too, where they have made sizeable contributions over the decades. In the era of automation, however, these smaller players are steadily ceding ground to larger companies, because of technology, the adoption of which will help them scale up and stay competitive.

Source: financialexpress.com– Jan 09, 2021

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Garment exporters in Tiruppur seek higher prices for products

Garment exporters in Tiruppur have appealed to their buyers to increase the prices for the products, especially those made of organic cotton.

In a letter to the brands, president of Tiruppur Exporters' Association, Raja Shanmugham, said the brands had supported the suppliers through the impact of COVID-19.

The exporters still faced several challenges such as high yarn price and increases in rates for accessories and job working charges. Freight costs have shot up 15% to 20%. Further, there is a steep hike in prices of organic cotton yarn in recent months to the extent of 30%.

"This has totally impacted the organic garment exporting units and these units are no way in a position to absorb the price hike... It is apparently clear that they could not continue to export organic garments with the same price to niche markets," he said.

Mr. Shanmugham appealed to the brands to understand the issues faced by the garment suppliers and urged them to increase the prices for the products they procure.

Source: thehindu.com– Jan 09, 2021

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Industry writes to minister over hike in yarn prices

The Ludhiana Textile and Hosiery Industry is worried over the ever-increasing prices of yarn in recent times. Industrialists have submitted a representation to Textile Minister Smriti Irani to intervene to save the garment and knitwear industry.

Ajit Lakra, Head, Textile Division, FICO, said the industry has come on the verge of closure. The fabric and garment industries are predominantly, in the MSME segment and are labour-intensive, employing lakhs of workers.

There is a constant undue increase in the prices of all the basic raw materials, such as all types of yarns such as cotton, polyester, poly cotton and spandex yarn, packing materials such as poly bags, paper, cardboard, plastic and all kinds of inputs.

Cotton yarn

The cotton of the country this year was higher than last year. Moreover, garments exports to Europe and the USA are less than half compared to last year. In spite of that there was a shortage of yarns and price increase is most unreasonable (about 50%), in the last 3-4 months, going beyond the reach of the MSME units.

This is because the basic cotton yarns are being exported to Bangladesh and China in large quantities by local spinners and for Indian market they have made a cartel along with the traders to increase the prices and have created an artificial shortage to increase the rates to make more profits, rendering the MSME industry unviable and uncompetitive in the domestic as well as export market.

The government should ban/disincentive the export of yarn or fix a quota of export of cotton yarn, so that cotton yarn can be made available for domestic manufacturers at a reasonable price.

Polyester yarn

The government should immediately remove anti-dumping duty on polyester yarn and its raw materials so that yarn becomes available to the Indian textile manufacturers at the international price through import.

Spandex yarn

The government should remove the anti-dumping duty on import to stabilise the rates at reasonable levels. The MSME textile units are already under a heavy stress, the abnormal rise in yarn prices have further made the survival of the MSME units very difficult. The closure of the MSME garment units would render lakhs of workers unemployed and will cause a big setback towards the country becoming Atmanirbhar Bharat in textiles.

To save the MSMEs, the government should take immediate necessary steps to promote local manufacturing of fabrics, garments and value addition in fabrics rather than exporting yarns, majorly to China who has a malicious intent to make the country unviable and uncompetitive in the domestic and international market.

Source: tribuneindia.com– Jan 08, 2021

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‘For India’s renewable story to keep powering ahead, policy issues to be solved via tech interventions’

The adoption of renewable energy in India has seen remarkable and blazing growth so far and is at a critical juncture now. Ensuring the economic viability of future projects and addressing policy pain points will be vital to sustaining this momentum. India runs the largest clean energy programme in the world and aims to achieve 175 GW of renewable energy capacity by 2022 in line with its commitments to mitigating the effects of climate change.

The country has an even more ambitious plan to achieve 60% of its installed electricity generation capacity from clean energy sources by 2030, with a target of achieving 450GW of installed renewable energy generation capacity. As of the second quarter of FY 2021-21, India has achieved roughly half of its 2022 target for the addition of new renewable energy generation capacity. According to UK-based analytics firm British Business Energy, India has been ranked third on its renewable energy investments and plans, and as the world’s fifth-largest energy economy by revenue. This trailblazing growth trajectory has come with a few challenges of its own, though.

India now has among the cheapest solar power tariffs in the world, as seen in recent project auctions by the SECI. What started with high double-digits, is now touching record low levels. India's minister for MNRE has indicated that tariffs could fall further. In fact, the winning bids at the auctions by Gujarat Urja Vikas Nigam Ltd (GUVNL) for 500MW of solar projects in December 2020 stood at Rs 1.99/unit. This was a shade under the previous lowest tariff bids at the last SECI auction conducted in November 2020 where the two combined winning bids for 600MW of solar power came at Rs 2 per unit. This raises pertinent questions about the long-term viability of such projects over the long term.

The plummeting tariff bids have had yet another fallout, on the funding side. Debt financing for clean energy projects has seen a drop as many leading banks have expressed concern about the viability of renewable energy projects that have committed to tariffs of less than Rs 3 per unit and are therefore reluctant to lend to these developers.

For India's renewable energy story to keep powering ahead, a host of issues will have to be addressed, both at the policy level and through technology-based interventions that keep in mind the unique nature of renewable energy sources.

Seeking solutions

While renewable energy is seen as the perfect answer to the world's rising energy demand and environmental degradation woes, it poses a whole new set of challenges of its own. Foremost among these are the aspects of integrating renewable energy into the grid and ensuring round the clock (RTC) power. One solution that has emerged is the hybrid energy model, which can be the way forward for India to meet its de-carbonisation goals and to bring down the cost of power.

Hybrid energy systems (HES) can help integrate renewable power into the grid by overcoming intermittency and making it reliable and dispatchable when combined with utility-scale battery storage. Coupled with battery storage, HES solutions have gained tremendous traction in recent years due to these inherent benefits. In developing economies such as India, hybrid energy systems can help ramp up electrification of rural and remote locations due to their lower costs and quicker installation, compared to building extensive transmission lines from the conventional centralised power plants.

Storage has been proven to be a crucial yet underleveraged piece in the growth of renewable energy around the world, and India is no exception. More robust enforcement of the renewable purchase obligation (RPO) mechanism in achieving RTC power will provide the much-needed push for storage systems to grow in the country. A continued fall in battery prices will further encourage investments in energy storage systems, while more large-scale deployment could, in turn, push down battery storage prices as well.

By some estimates, prices of lithium-ion cells that go into battery storage systems could fall by as much as 46% between now and 2029. This is expected to lead to higher adoption of battery-based energy storage. According to research and consultancy firm Wood Mackenzie, the global energy storage market is poised to grow 13-fold to 230 GW by 2025. The report also estimates the total energy storage investment to jump from $18 billion in 2019 to $100 billion by 2025.

With RTC renewable energy becoming the norm in India, we will likely see more front-of-the-meter deployment of energy storage solutions. Technology will also play a big role, as legacy systems cannot cope with the new demands of a dynamic and complex network of energy sources. Smart grid systems will serve as crucial support in this transition, lending a more stable and effective integration of renewables.

Another development that will spur further investments in renewables is the regulatory approval for a renewable energy trading mechanism. Leading power bourses Indian Energy Exchange (IEX) and Power Exchange of India have been permitted by the Central Electricity Regulatory Commission (CERC) to start the green term-ahead market (G-TAM).

This move should help make renewable energy affordable to consumers while supporting discoms in fulfilling their renewable purchase obligations (RPO) and allowing renewable energy producers to sell excess power like in the real-time electricity market (RTM).

Global inspiration

Growing the share of renewable energy in India’s total energy mix will require additional policy oversight and ensuring that the interests of all stakeholders involved – developers, consumers, discoms lenders, and the government – are considered and protected.

There are enough signs that the country is firmly on this path. More recently, Indian policymaking has been moving towards a more integrated renewable energy roadmap that incorporates solar, wind, and hydropower, coupled with battery energy storage.

There are lessons here from the US state of California, which has taken an unprecedented lead in the adoption of renewable energy. The 'sunshine' state has been a forerunner in mitigating the intermittent nature of renewable energy through large scale battery storage installations, towards integration with the grid. This, of course, has been spurred by an estimated 70% drop in lithium-ion storage battery prices in the US between 2015 and 2018. The state is hosting the building of the world's largest battery energy storage system at the Moss Landing substation, due to be fully operational by mid-2021.

California can serve as a model for some of the Indian states – notably Gujarat, Rajasthan, Maharashtra, Tamil Nadu, and Andhra Pradesh. With the abundant availability of solar or wind resources, these states have the potential to become RE hubs in the country.

The laying of the foundation for a hybrid renewable energy park of 30GW capacity in Gujarat's Kutch district by the honourable PM, reportedly the world's largest such model when ready, could pave the way for a further push in this direction. It is in line with the government's ultra-mega renewable energy power parks (UMREPP) policy, which began with Gujarat and Rajasthan and more recently joined by Uttar Pradesh. These parks can also help address the core issues of land availability and transmission interconnectivity.

Finally, India's path to self-reliance through the Atmanirbhar Bharat route can be best realised by fostering innovation and R&D in the renewables space. This is important to bring down dependence on imports of solar panels, battery modules, and other components in a significant and relevant manner.

Domestic producers will need to urgently invest in cutting edge and innovative technologies that could show new and more efficient alternatives for the rest of the world. It is a process that will need suitable regulatory support in providing a suitable ecosystem for such investments. The build-up of tangible business potential which supports such manufacturing volume will also take time before results are seen, but all stakeholders need to take their first steps. This is a strategic imperative to position India as a global hub in renewable energy.

Source: financialexpress.com– Jan 10, 2021

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Worker designs high-speed needle machine in lockdown

Where there is a will, there is a way. The saying has been aptly proved by this small-time textile worker, who refurbished a worn-out machine into a high-speed crochet fabric needle machine during the lockdown. Meet Chandrakant Patil, 38, a needle machine operator, who manufactured the machine that costs half than the similar machines manufactured in China.

Talking with TOI, Patil said, "When the lockdown was imposed in March, I thought of designing an automatic crochet fabric needle machine. I started working on the project and used the parts available with me in my factory. Since the cost of making the machine was very high, I had to sell the jewellery of my wife and borrowed money from friends."

Patil added, "The machine was ready in three months at the cost of Rs 21 lakh. I had the manual needle machine, which I converted into the high-speed machine with the help of a motor." Crochet fabric is used in garments, hats, scarf, purse and other upholstery items. According to Patil, the crochet fabric needle machine manufactured in China cost about Rs 48 lakh, while his version is worth Rs 21 lakh. Also, the Chinese machine can manufacture 140 metres of fabric in 12 hours, while his machine is capable of manufacturing 200 metres in 12 hours.

The Southern Gujarat Chamber of Commerce and Industry (SGCCI) has given free space to Patil at the ongoing Surat International Textile Expo (SITEX) for displaying his invention to the public. Union Textile Minister, Smriti Irani visited Patil's stall at SITEX and appreciated his efforts for the 'Make In India' and Aatmanirbhar Bharat. Patil said, "I am planning for the mass production of the machine in Surat and that it will be a game-changer for Surat's textile industry."

Source: timesofindia.com– Jan 10, 2021

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