

IBTEX No. 240 of 2017

December 02, 2017

USD 64.52 | EUR 76.76 | GBP 86.92 | JPY 0.58

Cotton Market		
Spot Price (Ex. Gin), 28.50-29 mm (30-11-2017)		
Rs./Bale	Rs./Candy	USD Cent/lb
17688	37000	73.37
Domestic Futures Price (Ex. Gin), November		
Rs./Bale	Rs./Candy	USD Cent/lb
18380	38447	76.24
International Futures Price		
NY ICE USD Cents/lb (Dec 2017)		75.52
ZCE Cotton: Yuan/MT (Jan 2018)		15,050
ZCE Cotton: USD Cents/lb		87.81
Cotlook A Index - Physical		81.6
<p>Cotton & currency guide: Finally cotton price broke out of the confined range of 70 to 72 cents after a long period and moved higher. The most active March future traded sharply higher to post a close at 73.43 cents per pound. March settlement is the highest since 73.61 cents was witnessed on 5th September.</p> <p>The expiring December settled at 75.52, up 147 points. December has a 10 session net gain of 692 points. The trading volume was 35,033 contracts.</p> <p>Cleared yesterday were 24,333 contracts. We wouldn't be able to comment on a particular reason for such excessive gains except that it was a continuation of a two-month recovery, probably based on good cash business amid excessive speculative buying in March and across contracts.</p>		

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Also cotton growers continued to fix prices and millers were unwillingly fixing the on- call sales. Remember, unfixed March on-call sales have been at an all-time high for any month ever. As of March 17th, total March on-call sales were 50,464 contracts. Open interests have increased further up 2,874 contracts to 237,373 contracts. In the last 4 sessions open interest has increased by 13,133 contracts. Certified stocks have remained at 47,951 bales with zero bales awaiting review since November 16th.

This morning ICE cotton is seen trading at 73.28 cents marginally down from previous close however, as long as it holds above 72.50 (the revised upward support level) the trend should continue to play positive. The next technical resistance is seen at 74 cents in the market. So the broad trading range for now is 72.50 to 74 cents.

On the domestic front, spot market continued to trade steady near Rs. 37600 per candy ex-gin. The price of new crop Punjab J-34 is relatively firm at Rs. 3883 per maund. From the supply front, the latest estimate of daily seed cotton arrivals is 170,500 lint equivalent bales (170 kgs). The data includes 44,000 registered in Maharashtra, 34,000 in Andhra Pradesh/Telangana and 35,000 in Gujarat.

However, the futures prices have increased marginally to post a close at Rs. 18620 per bale and expect market to remain sideways to slight positive. The trading range for now would be Rs. 18740 to Rs. 18450 per bale.

**Compiled By Kotak Commodities Research Desk , contact us :
<mailto:research@kotakcommodities.com>, Source: Reuters, MCX, Market
source**

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INTERNATIONAL NEWS

USA: Cotton Crop to be Exceptional in Texas

This morning, over 50 people representing different regions of Texas and the entire spectrum of the cotton industry that included producers, agricultural lenders, policy personnel and researchers gathered in the conference room of the Plains Cotton Growers (PCG), Inc. office in Lubbock, TX. Probably, this meeting had the highest attendance this season, which shows the importance of cotton in the High Plains of Texas.

Quality of this season's cotton was in the minds of all those who attended today's gathering. In a question from this scribe to a producer, he responded "I am still harvesting, but the quality?" Maturity has been affected by cold weather during the end of September and early October, in High Plains.

Coming to the yield, there is going to be a lot of cotton from Texas. High Plains of Texas will have over 5 million bales of cotton. Texas is going to have a large crop, while we are experiencing some low micronaire issue in High Plains, other qualities are outstanding, stated, Mr. Steve Verett, Executive Vice President of PCG.

Producers are pleased with exceptional crop yield per acre. In High Plains, although good crop is expected, there has been good variability in the yield with some regions not performing well while others have exceeded normal expected production resulting in overall good crop. John Spence, producer from El Paso reported that his area is witnessing yields of 1300 pounds/acre for Upland cotton and 900 pounds/acre.

Toby Robertson of Robstown, TX who has a family farm of 10,000 acres stated that this year the crop has been exceptional with 1505 pounds/acre in his operations. Normal yields in his area are about 800-1000 pounds/acre, this year, it has been about 1500 pounds. Similar experience was shared by Jeff Nunley, Executive Director of South Texas Cotton and Grain Association, who stated that this year, his region will have about 1.8 million bales as against last year's production of one million bales.

Mood in terms of market was very optimistic, as the demand is strong. While cotton is being harvested, cotton is at 73 cents which is a good signal

of cotton's demand world over. Mills in Pakistan and Turkey are buying U.S. cotton and more recently, the demand is huge from Pakistan, said a cotton trader. Overall picture is yields are good and the market is showcasing good price points. Prices never rise during harvest season, but this past two weeks or so, price is on the rise, which is a positive news for the industry said Shawn Wade, Director of Policy Analysis and Research at PCG.

With India's crop downsized recently and the growing demand for cotton, United States cotton industry is looking forward to the new year with full optimism.

Source: Lubbock, USA - Dec 01, 2017

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Pakistan: Trading activity slowing down at cotton market

Trading activity at cotton market slowed down on Thursday as spinners were hoping that the Plant Protection Department (PPD) would allow importing cotton from India and also relaxing trading conditions for its import. The market should have witnessed brisk activity ahead of long closure on account of Eid Milad ul-Nabi and weekend closure but report of permission for cotton import from India restricted this activity.

Spinners are reported to have based the unavailability of crop as a major factor for import of cotton, and high cotton prices in the domestic market as and the second reason for need of import.

Brokers said that a delegation of All Pakistan Textile Mills Association (Aptma) had recently met the PPD officials in this connection and were able to get the permission.

However, ginners who are holding substantial quantities of cotton strongly rejected the idea and opposed the permission for allowing imports of cotton from India.

Meanwhile, market reports suggested that spinners are booking advance orders with Indian cotton exporters in anticipation that permission would ultimately be granted and have fixed the time frame for validity of these orders up to January 15, 2018.

Last year, Pakistan relaxed cotton imports from India on May 15 in order to give sufficient time to growers to sell their cotton and get proper price for their produce before imports were allowed from the neighbouring country.

The spinners are also demanding withdrawal of 4 per cent customs duty and 5pc sales tax on import of cotton.

Only few deals were reported to have finalised on the ready counter: 400 bales from Tando Adam done at Rs6,250; 600 bales from Rohri at Rs6,450-6,500 and 2,000 bales from Saleh Pat at Rs6,450-6,700.

At Karachi Cotton Association (KCA) spot rates were steady at overnight level.

The market closed at a record level of 75.52 cents per pound. The Indian and Chinese markets also closed higher. The leading world cotton markets also remained highly fluid with New York cotton market closing at a peak level of last 75 days.

Source: yarnsandfibers.com- Dec 01, 2017

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Wrong to say European Union in a state of disarray: envoy

Refuting reports in the British press that the European Union (EU) is in a state of disarray, Tomasz Kozlowski, EU Ambassador to India, on Friday said that the EU is a unique and open entity with a very strong political will to surge ahead.

Mr. Kozlowski was speaking on EU's Common Foreign and Security Policy: Challenges and Opportunities, at Savitribai Phule Pune University on the occasion of EU Day.

A common misconception, the Ambassador said, is that the EU was at times viewed as a regular regional organisation like the ASEAN, whereas it is in fact a regular regional integration. "The EU represents all the 28 member states with a common legal framework. For instance, post-Brexit, Britain would face a challenge to transform EU law to British law."

Mr. Kozlowski said that the European integration process has always been politically motivated. “The process was launched five years after the Second World War in 1945. The objective was to frame rules under which the bitter history which ravaged Europe wouldn’t be repeated. In the beginning, political objectives were often integrated through economic processes, as in the Treaty of Rome in 1957.”

The integration of the Common European Market was no simple custom integration, Mr. Kozlowski said, but a gradual series of processes which took 20-30 years. “One of its achievements today is it is easier to transport goods from Lisbon in Portugal to Riga in Latvia than between Indian cities.”

Ties with India

While acknowledging that the full potential of the EU’s relations with India is yet to be realised, the Ambassador said that India is increasingly becoming a relevant partner.

“We have a long history of EU-India relations dating back to 1962. Besides trade, we have made steady progress in many sectors, especially foreign policy and security. Today, the EU is India’s largest trading partner, accounting for 13.7% of its foreign trade, ahead of China or the United States,” Mr. Kozlowski said.

Friederike Tschampa, head of political affairs of the EU delegation to India and Bhutan, talked about India’s partnership with the EU in trade, climate change, civilian nuclear cooperation, foreign policy, and combating terrorism.

Source: .thehindu.com- Dec 02, 2017

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Scope to step up Indian textile exports to South Korea

Textile and apparel imports by South Korea increased at a CAGR of 4% to reach \$13.8 billion in 2016, while its exports declined at CAGR of -4% to touch \$13.3 billion in the past five years. The textile and apparel trade balance recorded a deficit of around \$0.5 billion in 2016.

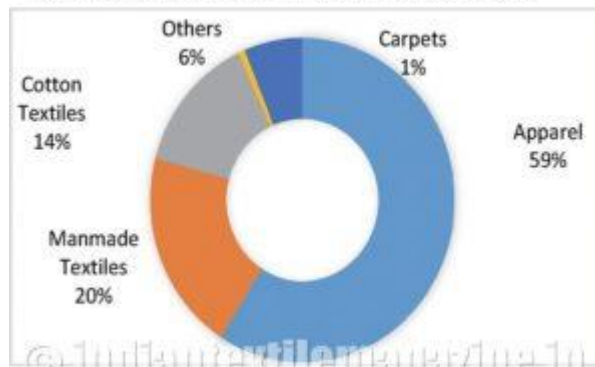
Table 1: South Korea's Total T&A Trade (In US\$ Bn.)

Year	Imports	Exports	Trade Balance
2012	11.8	15.4	3.6
2013	13.2	15.7	2.5
2014	14.2	15.7	1.5
2015	13.9	14.0	0.1
2016	13.8	13.3	-0.5
CAGR	4%	-4%	

Data Source: UN Comtrade

Apparel is the largest imported category in South Korea, representing 59% of the total textile and apparel imports (2016). This is followed by man-made textiles, cotton textiles and carpets with a share of 20%, 14% and 1% respectively. Top 10 suppliers accounted for 87% of textile and apparel imports by South Korea. China is the largest supplier accounting for a 42% share, followed by Vietnam and Indonesia with a share of 22% and 5% respectively.

Figure 1: Category-wise T&A Imports by South Korea (2016)

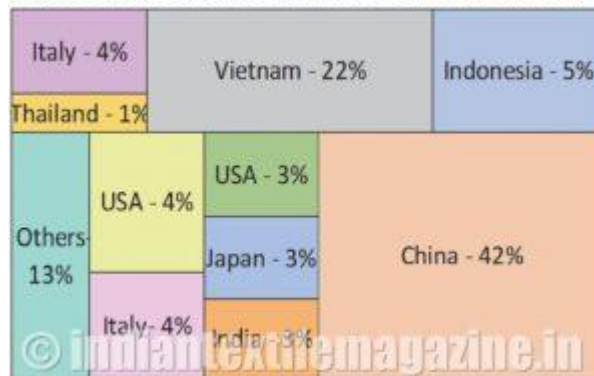


Data Source: UN Comtrade

India's textile and apparel exports to South Korea

India is the seventh largest supplier of textile and apparel products to South Korea, with its exports touching a level of \$374 million in 2016. It has registered CAGR of 5% over the last five years, and India's share has increased from 2.6% in 2012 to 2.7% in 2016.

Figure 2: Top Suppliers of T&A to South Korea (2016)



Cotton textiles is the largest category with a share of 56% in India’s T&A exports to South Korea. This is followed by man-made textiles, apparel and carpets with a share of 20%, 17% and 2% respectively.

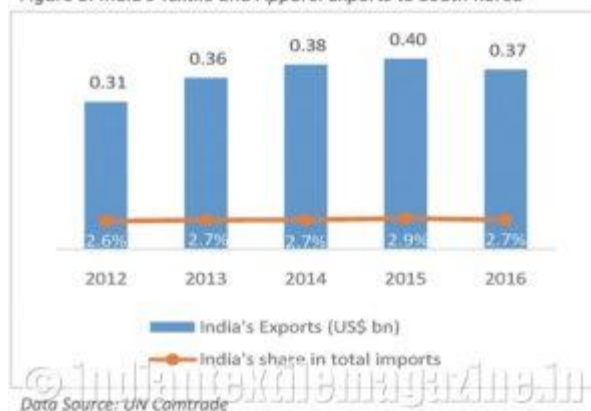
Table 2: South Korea's Top 10 textile and apparel imported commodities (values in US\$ mil)

HS Code	Commodity	2014	2015	2016	CAGR
6204	Women's Suits, Ensemble etc., woven	1,007	987	1,014	0%
6203	Men's Suits, Ensembles etc., woven	938	953	922	-1%
6202	Women's Overcoats etc., woven	910	875	876	-2%
6201	Men's Overcoats, Cloaks etc., woven	940	809	774	-9%
6110	Sweaters, Pullovers, Vests etc., knitted	587	671	729	11%
5402	Synthetic Filament Yarn	813	722	692	-8%
6109	T-Shirts, Singlets, Tank Tops etc., knitted	593	623	678	7%
6211	Track Suits, Ski-Suits & Swimwear, woven etc.	428	457	457	3%
9400	Non-wovens	310	363	376	10%
S.NIP	Carpet, not defined by kind/mt	462	465	577	18%

Data Source: UN Comtrade

India signed a Comprehensive Economic Partnership Agreement (CEPA) with South Korea in 2010. Even after seven years of its implementation, India’s share in the South Korean market is miniscule. It is important to note that India is a supplier of all the leading commodities which are imported by South Korea, but the respective share of India is very low.

Figure 3: India's Textile and Apparel Exports to South Korea



Competitors like China and Vietnam, known for their low-cost manufacturing, have captured a bigger market share. However, Indian garment exporters and cotton-based home textiles manufacturers have a high potential to increase the market share in South Korea. For that, they

need to focus on high quality products and work on faster delivery schedules.

Figure 4: Category-wise T&A Exports to South Korea(2016)

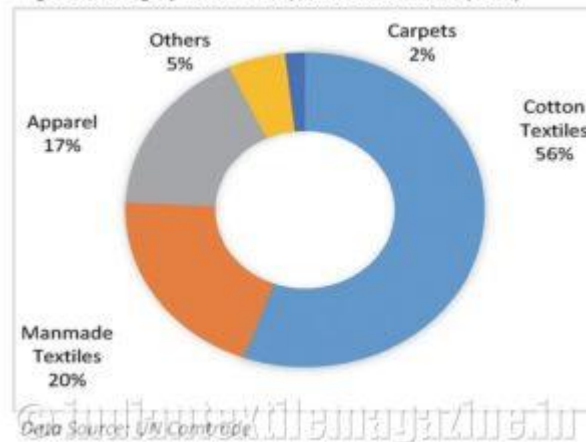


Table 2: India's potential categories of textile and apparel exports to South Korea

S.No	Market Segment	Existing Products	New Products
1	Cotton Textiles	<ul style="list-style-type: none"> Cotton yarn Woven cotton fabrics 	<ul style="list-style-type: none"> Bed and table linen of cotton
2	Apparel	<p>Knitted</p> <ul style="list-style-type: none"> T-shirts, Singlets of cotton, knitted <p>Woven</p> <ul style="list-style-type: none"> Men's shirts of cotton, woven Women's blouses of cotton, woven 	<p>Knitted</p> <ul style="list-style-type: none"> T-shirts, Singlets of textile material other than cotton, knitted <p>Woven</p> <ul style="list-style-type: none"> Men's suits of cotton, woven Track suits of man-made fiber, woven Women's blouses of man-made fiber, woven

Date Source: UN Comtrade and ITC Analysis

Source: indiantextilemagazine.in- Dec 01, 2017

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Govt to exploit Nyanza region to expand cotton production

The Kenya government to revive its dwindling cotton industry has take up strategically move to expand cotton production which for the counties in Nyanza regions would be part of 950,120 acres to be used for cotton farming. They will rely on rain-fed and irrigation methods. Boosting cotton production in Nyanza region from 40,000 bales of lint to 70,000 yearly, said Interim manager for Fibre Crops Regulation and Compliance John Adhola.

Adhola said that they want to exploit cotton planting zones in Nyanza — not only to reduce the shortage, but also eliminate poverty and improve food security.

These will enable farmers to earn billions of shillings yearly and at the same time help the government meet the ever growing demand for cotton in the global market. Adhola urged local farmers to increase the acreage for cotton farming to benefit more.

In the past, farmers had complained about low prices and exploitation by middlemen. The pricing problem that used to demoralise farmers has been sorted out through the introduction of transparency in pricing that saw the price per kilogramme moved from Sh20 in 2005 to Sh42 in 2013.

The government will provide well-trained extension officers to help famers and advise on market linkages.

The new varieties of seeds from Turkey and Israel are being tested. Also on the government radar are hybrid varieties from India and Pakistan.

Meanwhile, Adhola said that they have launched education programmes to promote sisal production in Siaya county. They also want to introduce sisal as a commercial enterprise where farmers grow and add value.

They are working on how to introduce better technologies to deal with processing. They will partner with the county governments to help farmers plough their fields using tractors and use fertiliser to boost yield.

They expect the contracted famers to get value for their products and to be assured of resources on time as they venture into such a production to create wealth that will sustain them.

The extension officers are being warned against frustrating farmers willing to cultivate cotton and sisal in the regions.

Source: yarnsandfibers.com- Nov 30, 2017

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Italian: Itema to exhibit for the second time at ITMACH India

The Italian based company Itema, a leading global provider of advanced weaving solutions, including best-in-class weaving machines, spare parts and integrated services is exhibiting at ITMACH India for the second time in a row at (Hall 6 / A33-34 & B1-2) from December 7th to 10th at The Exhibition Centre, Gandhinagar, Gujarat considering this event as the best opportunity to showcase its technological prowess and worldwide organization to the renowned Gujarat textile industry.

Gujarat is in fact one of the largest textile Regions in India and, more widely, in all Asia, with numerous textile manufacturing companies and with the biggest cotton production in the country.

Itema is present in India since 2002, counting more than 50 employees, with sales and after-sales teams, technical support and advanced repair centers in Mumbai, Coimbatore, New Dehli and Ichalkaranji to ensure the highest possible standard of weaving solutions, with a complete offering and service to its valuable Customers in the Indian market.

Itema is uniquely positioned to offer textile manufacturers the top three weft insertion technologies: Rapier, Airjet and Projectile, in what is the most comprehensive portfolio on the market today to weave the widest range of fabrics.

During the 2017 edition of ITMACH, Itema will exhibit its best-in-class airjet weaving machine A9500p, in an execution tailored to weave the most popular fabric in the basin, denim.

Airjet weft insertion technology is the most diffused to weave denim, due to the highest possible production speed achievable. Especially when it comes to weaving simple denim fabric constructions, airjet machines ensure the best ratio between productivity and fabric quality.

Itema developed and implemented advanced technical innovations on its airjet machines to easily overcome this limit and to meet the growing trend of weaving stretch denim. Moreover, Itema patented and highly innovative

solutions allow denim mills to benefit from a significant reduction in energy consumption.

The IteMa airjet A9500p launched in the market in 2014, still inspires the curiosity and sparks the interest from real technology buffs and has already amassed important references in many segments, ranging from denim to medical fabrics.

What makes the IteMa A9500p the most innovative airjet weaving machine in the market is a winning duo of crucial advantages: the highest production speed and the lowest power consumption in the market.

The popular recent trend to weave stretch and super stretch denim fabrics with dedicated weft yarns inspired IteMa to create and patent the innovative BLC – Brush Lycra Clamp – nozzle to weave elastic weft yarns. Thanks to the BLC nozzle, the weft is held without movable parts to ensure superior fabric quality and reliability. The device is simple and yet ingenious: the BLC is fixed into the main nozzle performing the valuable task of keeping the elastic weft yarn avoiding defects due to the continuous air flow.

The IteMa iREED – already a benchmark for the industry – significantly reduces the air consumption and guarantees a higher efficient weft insertion. The new reed tunnel shape and new position of the relay nozzle which optimize the air flow in the reed channel for a higher efficiency weft insertion. The saving is also due to a reduced air pressure and to the single hole relay nozzle, which, at the same time, greatly reduces the need for maintenance of IteMa airjet weaving machine.

Cost saving and superior fabric quality are the keywords of another important innovation available on the IteMa A9500p: the double tandem nozzles. The double tandem nozzles guarantee a perfect distribution of the pushing force on the weft using lower air pressure, thus leading to multiple benefits: reduced stress on the yarn allowing top fabric quality and the possibility to weave with lower pressure ensuring energy saving.

The IteMa A9500p, featuring these advanced and denim-dedicated devices, ensures the weaver the possibility to weave faster, producing better fabrics and with a smarter usage of resources and will be running live during the exhibition days for direct experience.

Itema has a tradition of almost 200 years with an installed base of over 300,000 weaving machines in operation. A global presence in more than 100 countries ensures a fast and reliable service.

Source: yarnsandfibers.com- Dec 01, 2017

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NATIONAL NEWS

Global Cotton Production to Increase in 2017/18

Following two years of declining planted area, global cotton area for 2017/18 is projected to increase by 11% to 32.5 million hectares. Planted area in India is estimated at 11.55 million hectares for 2017/18, with production projected to grow by 8.7% to 6.2 million tons.

In 2017/18, planted area in the USA continues to grow for the second season by an estimated 20% to 4.6 million hectares. Pakistan plantings for 2017/18 are expected to increase by 24% to 3.1 million hectares after several years of declining area with an anticipated 24% growth in production to 2.06 million tons. Production is projected to increase in all other major producing countries during 2017/18, including China, Brazil, Francophone Africa and Turkey. Global production in 2016/17 rose by 7% and is forecasted to grow by 12% during 2017/18.

Global cotton mill use is expected to grow in 2017/18 by 3% to 25.2 million tons. The gap between cotton prices and polyester prices has continued to narrow since mid-2017 despite a recent upturn in cotton prices that may push cotton consumption higher. While mill use is rising, stocks will continue to grow as production outpaces consumption. Imports by China are expected to remain steady as the stock to use ratio decreases. Mill use in China is expected to grow at 1% to 8.12 million tons. Cotton mill use is also projected to grow moderately in India, Pakistan, Turkey, Bangladesh, Vietnam and Brazil.

World Cotton Supply and Distribution

	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
Changes from previous month						
Million Tons				Million Tons		
Production	21.48	23.00	25.74	0.00	-0.04	0.18
Consumption	24.18	24.52	25.22	0.00	-0.04	0.00
Imports	7.57	8.11	8.15	0.00	-0.03	0.22
Exports	7.55	8.11	8.15	0.00	-0.03	0.22
Ending Stocks	20.24	18.71	19.24	0.00	0.17	0.34
Cotlook A Index		71		70		72*

**The price projection for 2017/18 is based on the ending stocks to mill use ratio in the world-less-China in 2015/16 (estimate), 2016/17 (estimate) and 2017/18 (projection); on the ratio of Chinese net imports to world imports in 2016/17 (estimate) and 2017/18 (projection); and on the price projection of 2016/17. The price projection is the mid-point of the 95% confidence interval: 62 ct/lb to 83 cts/lb.*

Source: ICAC Press Release - Dec 01, 2017

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J&K seek Rs 50 crore under PMDP from union Textile ministry

Srinagar, Dec 1 (UNI) Jammu and Kashmir has sought Rs 50 crore under Prime Minister's Development Package (PMDP) from Union ministry for Textile, an official spokesman said here on Friday evening.

He said Minister for Industries and Commerce, Chander Parkash Ganga Friday met Union Minister for Textile Smriti Zubin Irani at New Delhi and discussed various developmental projects for J&K pertaining to textile sector.

During the meeting that lasted for an hour, Mr Ganga briefed the Union Minister about different projects already submitted to the Central Wool Development Board relating to components and sub components of Pashmina Development Programme under PMDP at the cost of Rs 50 crore.

He also informed the Union Minister of the three projects submitted by IICT under the infrastructure support Scheme of NHDP regarding up-gradation of design bank, testing lab and setting up of CFC costing Rs 4.56 crore .

Source: uniindia.com - Dec 01, 2017

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Skill India to train 20,000 youth in textile sector

About 20,000 youth across the country would be skilled by 2020 in apparel, made-ups and home furnishing sectors in collaboration with textile major Arvind Ltd, said Skill Development and Entrepreneurship Minister Ananthkumar Hegde on Thursday. “We have started skill training of about 1,000 youth as the first batch in Bengaluru and will soon extend it in other cities through the National Skill Development Corporation under the Pradhan Mantri Kaushal Vikas Yojana,” he said.

Arvind Ltd (formerly Arvind Mills) is the flagship company of the Ahmedabad-based Lalbhai Group and manufactures cotton shirting, denim, knits and fabrics. As the second largest employment generator in the country, the textile sector has huge demand for skilled candidates.

The job roles, aligned to the National Skills Qualifications Framework, encompass training of candidates for three to six months. The skills are being provided at Arvind’s nine training centres across the state. “The youth will be trained to become specialised sewing machine operator, quality check executive in sewing line, packer, pressman and washing machine operator,” said Hegde.

The training is open to all skill seekers, especially the unemployed youth in 18-35 years age group. “Corporate India can be a major contributor to this nation-building exercise. The industry can utilise its expertise and provide relevant training to the youth in accordance with the demands,” he said. The training will enhance productivity and employability opportunities for the youth and provide ready talent pool to the industry. “As inclusive approach is key to sustainable skill development, A corporates can play pivotal role in bridging the demand-supply gap of skilled workforce,” said NSDC Chief Executive Manish Kumar.

Source: financialexpress.com- Dec 02, 2017

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How farmers from 6 Telangana villages beat the bollworm

In a country where Bt technology rules the cotton growing areas with over 99 per cent coverage, farmers from six villages in Jangaon district have treaded a different path. About 32 farmers in these villages have grown organic (non-Bt) cotton on 62 acres.

Just like their peers, these farmers, too, have suffered losses due to untimely rains. But unlike them, they have not faced the pink bollworm attack or low-price scenario.

The farmers hail from the villages of Enabavi, Kallem, Manikyapuram, Siripuram, Jeedikal and Vanaparathi.

Enabavi shunned using chemicals in agriculture over a decade ago. Farmers in the village follow organic methods, using biofertilisers and non-pesticide management techniques.

“We don’t have the problem of pink bollworm. We have long stopped using chemical pesticides and practising organic farming methods,” says Ponnammallaiah, a farmer.

The 72-year-old Mallaiah started the organic farming movement in the village with the help of a non-governmental organisation, CROP. Encouraged by the results, fellow farmers in the village joined him. This led to the formation of a mutual-aid cooperative society to get a better price from buyers.

The Centre for Sustainable Agriculture (CSA), which is promoting natural foods venture Sahaja Aaharam, is procuring cotton and other agriculture produce from the mutual-aid cooperative society.

Ravi Kanneganti of CSA said all the member-farmers are small or marginal farmers, who come with an output of 2.5-7 quintals, earning an additional income of ₹2,500-7,000.

Earning more

Telangana’s farmers have grown cotton on 46 lakh acres as against the average acreage of 30-35 lakh acres.

Large-scale sale of Bt3 cottonseeds, untimely rains and virulent attacks by the pink bollworm have resulted in serious setbacks for small and marginal farmers.

But while a good number of their peers who grew Bt cotton facing the prospect of getting only ₹3,500 a quintal, the farmers of Enabavi have received ₹5,200 a quintal.

If one considers the MSP, they have made a gain of almost ₹1,000 over the MSP of ₹4,320.

“We expected an output of 250 quintals. But because of the rains, it dropped to 180,” Giribabu, a farmer, told BusinessLine.

Source: thehindubusinessline.com- Dec 01, 2017

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Cotton industry plans stir against GST on Dec 15

The Cotton Association of India (CAI) plans to go on a token strike on December 15 protesting against what they called the strain caused by GST and the reverse charge mechanism, in particular.

In a statement on Thursday, the Association said that if the issue is not addressed at the next GST Council meeting, scheduled for December 21, it will go on an indefinite strike from the next day.

The action follows a recent joint meeting of the industry convened by the association, which has about 70 ginners as members. The meeting deliberated on the issue of Reverse Charge Mechanism which makes ginners responsible for the GST to be paid by farmers.

This apart, the meeting also discussed the pending refunds from government to exporters since July after the GST roll-out, besides dwelling on the plight of the entire cotton industry.

Manjeet Singh Chawla, President, Madhyanchal Cotton Ginners and Traders Association, said ginners have to bear the GST of farmers as they

do not pay the tax while selling cotton and this has led to blockage of ginners' funds.

Requesting the association to take up the matter with the government, he said the reverse charge mechanism on cotton has spoilt the relationship between spinners and ginners.

Omprakash Jain, President, Karnataka Cotton Association, said the ginners will be left with no option but to shut their operations if the issue is not resolved soon.

BS Rajpal, President of the Maharashtra Cotton Ginners' Association, said that RCM has been imposed only on cotton and not on other agriculture commodities which is totally unjust.

Manish Daga, Director, Cotton Association of India, said about 2,700 farmers are switching from cotton to other cash crops. This year, he said, cotton farmers have already suffered huge losses due to climatic conditions and pink bollworm problems. If the RCM continues, the cotton farming will substantially reduce in India and affect the whole textile sector, he added.

Ravinder Reddy, President, Telangana Cotton Millers & Traders Welfare Association, said cotton growers were badly affected by the pink bollworm attack, and the uncertain rain in Telangana.

Source: thehindubusinessline.com- Nov 30, 2017

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Cotton mills go slow on using Kochi port for trade

The increased prices for imported cotton seem to have prompted the Southern India Mills' Association to go slow on its plan to facilitate import and re-export of containerised cotton through the Kochi Port.

High prices

“Right now the market is not conducive due to high international prices vis-a-vis domestic. It is expected to achieve a price stability in the next 3-4 months and imports will happen at this point of time,” G Radhakrishna, President, Coimbatore Cotton Association, said.

“Either local prices have to go up to match international prices, or global rates should come down to match Indian prices. We believe that the price balance will be achieved by April-May for the imports to be concentrated,” he told Business Line.

Coastal container route

The international cotton prices are now at ₹42,500 per candy delivered at Indian port, while the domestic price is around ₹38,200, he said.

However, he added that the association has started bringing cotton to Kochi through coastal container route from Gujarat utilising the facilities at ICTT Vallarpadam. “We are moving some containers to Kochi meant for the spinning mills located in Tirupur, Coimbatore, Salem, etc., from the western part of the country along with Tuticorin Port that caters to the mills in Southern Tamil Nadu,” he said adding that the first consignment of 50 containers of cotton bales have been brought from Mundra and Pipavav last week and more such shipments are lined up for the coming months.

Given the proximity of the Kochi Port to spinning mills in Coimbatore, SIMA and Indian Cotton Federation is toying up with the idea of importing and re-exporting of cotton through Kochi. Besides offering cost advantage, the closing down of Walayar check post after GST will also be an added advantage to them in ensuring faster movement of the raw material to the production units in the region.

Source: thehindubusinessline.com- Nov 30, 2017

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Amazon India boosts women entrepreneurs with 'Saheli'

In an attempt to boost women empowerment in India, Amazon India has launched 'Saheli'. In association with non-government organisations including Self-Employed Women Association (SEWA) and Impulse Social Enterprise, Amazon Saheli will provide equal opportunities for women to hone their entrepreneurial skills by selling their products online.

The online marketplace will sell various products developed by women including apparel, handbags, handicrafts and home decor items among others. As part of the initiative, women entrepreneurs will receive training

apart from benefits including subsidised transfer fees, free imaging and cataloguing and post-launch support among others

The development programme is expected to reach to more than 20,000 women entrepreneurs in the next few months, said media reports quoting Gopal Pillai, director and general manager for seller services at Amazon India. Amazon is looking forward for more associations to increase the reach of the programme.

"We will initially conduct workshops at SEWA centres in Gujarat, Rajasthan and other areas where SEWA has a presence. SEWA is a prestigious institution that, in its over a decade of existence, has supported over 19 lakh women entrepreneurs," Pillai said.

"We at SEWA believe in young women's entrepreneurship using e-commerce. With minimal cost, e-commerce gives you reach to newer markets nationally and internationally! It builds economic security, brings dignity and self-respect to young women entrepreneurs. SEWA is happy to partner with Amazon which share the same vision to not only provide women entrepreneurs access to millions of new customers and become economically secured and will generate employment opportunities for many more young women," Reema Nanavati who leads SEWA said.

Source: fibre2fashion.com- Nov 30, 2017

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