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USD 64.98 | EUR 80.70 | GBP 90.24 | JPY 0.62

Cotton Market

Spot Price (Ex. Gin), 28.50-29 mm

Rs./Bale	Rs./Candy	USD Cent/lb
19577	40950	**80.41**

Domestic Futures Price (Ex. Gin), March

Rs./Bale	Rs./Candy	USD Cent/lb
20850	43613	**85.64**

International Futures Price

NY ICE USD Cents/lb (May 2018)	82.43
ZCE Cotton: Yuan/MT (Jan 2018)	15,400
ZCE Cotton: USD Cents/lb	**93.38**
Cotlook A Index – Physical	**91.45**

Cotton guide: Well it's all happening in cotton market. After the 314 points gain on Monday, we witnessed a tug of war between the bulls and bear. The active contract on ICE opened gap down by 26 points at 84.97. Price witnessed buying and the market gained by 163 points to make the intraday high of 86.60.

At higher levels selling was witnessed with highest volume since December 2017. Price made the low of 81.71 and settled at 82.43. The market closed lower by 280 points or 3.28% filling the gap that was created in Mondays' trading session.

We believe market will remain positive in the today's session and traders can buy with a stop loss below 81 and with a target of 83.50 86 cents.
The aggregate open interest continues to rise in the last 5-7 trading session on ICE.

The participation has picked up which is evident in the open interest and rising trading volume. Funds have started flowing to the cotton counter. Broadly the counter is still bullish.

China, the leading export customer of U.S. cotton thus far this season, imported 133,747 metric tons of cotton (614,289

480-pound bales) in January, up 33.7% from the prior month and 16.4% from a year ago, according to custom figures released earlier this week. Further we have the USDA demand and supply report scheduled on 8th of March and expect this data will have significant impact on market. We expect supply tightness in the monthly report.

For the day we expect cotton for May contract to trade in the range of 81.50 to 83.50 cents per pound.

On the domestic front spot gained from Rs. 40100 per candy ex-gin to 40600. Domestic cotton prices were reported slightly higher but adequate supplies and slow demand from mills have limited the upside.

All India cotton arrivals stood at an average of 130,000 to 135,000 bales/day. It includes 40,000 in Maharashtra, 35,000 in Gujarat, 44,000 in Andhra Pradesh/Telangana state and 16,000 bales in other states.

Lastly on the future front the active March future made the high of 21280 during the session. Price witnessed selling at higher levels and made the low of 20740 and the contract settled at 20850 down by 10 points. For the day the trading range would be Rs. 20700 to Rs. 21100 and recommend buying on lower level.

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

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INTERNATIONAL NEWS

U.S. clothing, cosmetics on possible EU retaliation list

Clothing, orange juice, cosmetics and other products from the United States may be subject to European Union duties if U.S. President Donald Trump carries out his threat to impose global import duties on steel and aluminum.

The European Commission has said it would respond “firmly” to proposed U.S. import duties of 25 percent on steel and 10 percent on aluminum. It has drawn up a list of 2.8 billion euros ($3.46 billion) worth of U.S. products on which it could apply a 25 percent tariff.

Commission President Jean-Claude Juncker said on Friday those products included Harley Davidson (HOG.N) motorcycles, bourbon and Levi jeans.

The Commission briefed representatives from the EU’s 28 countries on Monday, showing them the list, which is split fairly equally in value between steel products, consumer products and food and drink.

EU diplomats said on Tuesday that the second category, worth just over 1 billion euros, included shirts, jeans, textiles, footwear, cosmetics, motorcycles and recreational boats.

The food and drink category, worth just under 1 billion euros, included bourbon whiskey, corn and orange juice.

The products can generally be sourced elsewhere. Some come from states important to the U.S. Republican Party. Harley Davidson, for example, is based in Wisconsin, the home state of House of Representatives Speaker Paul Ryan. Bourbon comes mostly from Kentucky, home to Senate Majority Leader Mitch McConnell.

The list of counter-measures remains subject to the U.S. administration’s actually imposing tariffs on EU steel and aluminum. Trump said the plan would be formally announced this week.

Depending on the details of that plan, the European Commission is expected to hold a short public consultation before presenting to EU member states the proposed counter-measures.

Under World Trade Organization rules, counter-measures would have to be brought in within three months of a U.S. decision on tariffs.

Source: reuters.com- Mar 06, 2018

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Trade in an increasingly protectionist world

The prioritization of a tariff hike above difficult domestic reforms points to the urgency for convergence between trade and industrial policy

The rhetoric against globalization is disturbingly shifting away from strengthening domestic industry through necessary economic reforms to shielding it from global competition. This is not a good sign.

The US' department of commerce has recently recommended a review of the policy on imports of steel and aluminium products. It has suggested a global tariff of at least 24% on all steel imports from all countries and a tariff of at least 53% from 12 countries, including India. Similarly, a global tariff of at least 7.7% on all aluminium imports from all countries has been endorsed.

The import restrictions have been made under the "national security" provision of US trade laws and are intended to increase domestic production. Jean-Claude Juncker, president of the European Commission, has reportedly stated that the European Union would react "within a few days" in response to any action taken to protect the US steel industry.

In its latest Union budget, the government of India has proposed to almost double its import duties on inter alia labour-intensive sectors, such as beauty aids, watches, toys, among others, to 20%. The move came as a surprise as India has been progressively reducing tariffs from an average of almost 81% in 1990 to 13% till recently.

The suggestion that India needs protection in these entry-level industries after 25 years of domestic reforms does not inspire confidence in a country staking its claim at the global high table and wanting to double its economy to $5 trillion in the near future.

The role of high tariffs in promoting domestic industries is not impressive. It can have several unintended consequences. For instance, a report by the World Bank, titled “Automotive In South Asia: From Fringe To Global”, argues that high tariff and non-tariff barriers in the automotive sector in India and Pakistan might be reducing international competitiveness and slowing down the spread of world-class good practices in the value chain.

The local original equipment makers (OEMs) in both countries do not face adequate competition due to high import tariffs of 60% and 80% on completely built units of passenger cars. This makes imports of cars prohibitively expensive, thus encouraging local OEMs to focus on the domestic market at the expense of exports. This is remarkable since both countries have excess plant capacity (by 30-40%) and no explicit barriers to exporting.

As a result, despite being the world’s sixth largest auto producer by volume, India has less than 1% of global export markets compared with more than 3% for China. Not surprisingly, productivity levels in India are one-third the levels in China.

The resistance to becoming globally competitive and a heavy reliance on the domestic market might not be advisable in a country like India, which has “a hole where its middle class should be”, as recently pointed out by The Economist. It has been reported that high tariffs have been tried for key industries in Malaysia, Indonesia, Singapore and Hong Kong, with unconvincing results.

The World Bank report also highlights an interesting contrasting case of the Indian auto parts sector, which has witnessed a gradual reduction in import tariffs since the 1990s (from 60% to an average of 12.5%). Far from leading to the debilitation of an industry, this has been a powerful catalyst to its global success, with increased production and exports.

Exports now comprise more than 40% of production, imports have grown, and firms are able to trade with mature end-markets in global value chains (GVCs). Local jobs were created. GVCs across sectors have been key for economic growth in developing countries, and have kept the world increasingly interconnected.

Although tariffs play an important role in the competitiveness of countries, they are not the sole determinants. Kartik Roy, Hans Blomqvist and Cal Clark in their book Economic Development In China, India And East Asia have argued that despite imposing high import tariffs, several Asian countries successfully raised export incomes and economic growth rates, whereas some countries in other regions achieved less success on both fronts despite lowering considerably their import tariff levels in the 1990s.

They posit that the right kind of "policy mix" matters most in a country's "outward orientation". State monopolies on the export of major items, regulatory burdens, bureaucratic costs and red tape, uncompetitive factor markets particularly for labour and credit, are some of the indicators of suboptimal outward orientation in the trade policy mix of a country.

To tackle the challenge of increasingly protectionist tendencies across the globe, and design right policies for promoting domestic industries, this author has repeatedly argued for convergence between trade and industrial policy.

The recent inept bureaucracy-led short-sighted action of prioritizing a tariff hike above difficult domestic policy reforms, without taking into account potential costs, points to the urgency of such convergence. This can be achieved by introducing process reforms in the formulation of trade and industrial policies through a whole-of-government approach.

Meritorious and comprehensively thought-out policy prescriptions designed after rigorous cost-benefit analysis and expert consultation must find favour rather than the knee-jerk reactions suggested by senior officers. Capacity building and administrative reforms within the government should be high priority.

Source: livemint.com- Mar 07, 2018

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USDA Unveils Cost Share Program to Improve Domestic Cotton Production

U.S. cotton farmers and cultivators are getting some government assistance to help with a challenging market.

U.S. Secretary of Agriculture Sonny Perdue, said speaking at the Annual Mid-South Farm and Gin Show on Saturday, that the U.S. Department of Agriculture (USDA) will begin assisting cotton producers through a Cotton Ginning Cost Share (CGCS) program designed to encourage cotton growth and maintain the domestic marketing of cotton.

“America’s cotton producers have now faced four years of financial stress, just like the rest of our major commodities, but with a weaker safety net,” Perdue said. “In particular, cotton producers confront high input and infrastructure costs, which leaves them more financially leveraged than most of their colleagues. That economic burden has been felt by the entire cotton market, including the gins, cooperatives, marketers, cottonseed crushers, and the rural communities that depend upon their success.”

The program, which is administered by the Farm Service Agency (FSA), will only go to producers who planted cotton in the 2016 crop year to help with their ginning costs and facilitate marketing. Assistance rates vary regionally based on estimates of the regional variation in ginning costs per acre.

The payments from the CGCS program will be capped at $40,000 per producer. To qualify for the program, cotton producers have to meet conservation compliance provisions, be actively engaged in farming and have adjusted gross incomes below $900,000.

“I hope this will be a needed help as the rural cotton-growing communities stretching from the Southeastern U.S. to the San Joaquin Valley of California prepare to plant,” Perdue said.

The CGCS program resulted from USDA utilizing its administrative authority under the Commodity Credit Corporation Charter Act to help facilitate the marketing of commodities.

"The U.S. cotton industry strongly commends Secretary Perdue for his efforts to deliver much-needed marketing assistance for our nation's cotton producers," National Cotton Council chairman Ron Craft said. Craft, a Texas cotton ginner and producer, said the program will provide direct marketing assistance to producers and help alleviate a portion of the difficult economic conditions facing producers.

The sign-up period for the CGCS program runs from March 12 to May 11

Source: sourcingjournalonline.com- Mar 06, 2018

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EU Looks to Slap 25% Tariff on Levi's Jeans in Response to Trump Steel Tariffs

The European Union won't sit idly by if the United States moves forward with President Trump's proposed steel tariffs—and Levi's jeans could take a hit from the region's retaliation.

Last week Trump proposed implementing a 25 percent tariff on foreign steel imports and 10 percent on aluminum. Since then, global markets have been in an uproar with some countries threatening trade wars, though Trump is calling those trade wars "good" and "easy to win."

The president is expected to make a final decision on implementing the proposed tariffs by the end of this week.

On Monday, EU trade commissioner Cecilia Malmström said while the EU is awaiting a final decision, it's also poised to act.

"The taxes on aluminum and steel would be erroneous," Malmström told the BBC. "So we will of course, possibly with others, take this decision to the WTO. We are also looking at safeguard measures on our own steel and aluminum, and yes, we are looking at possibilities to retaliate, meaning that we will also put tariffs on U.S. imports to the European Union."

The EU has reportedly already compiled a draft list of U.S. goods to tax, which Malmström told the BBC could include 25 percent tariffs on as much as $3.5 billion worth of U.S. imports, including iconic items like Levi's jeans, Harley-Davidson motorcycles and Bourbon whiskey. The 28-member bloc is expected to respond to the United States' tariffs as a single unit.

Levi's isn't on board with any of it.

The denim brand told the BBC, "We support open markets and free trade where everyone plays by the rules. Unilateral tariff impositions risk retaliation and destabilizing the global economy, in which case American brands, workers and consumers will ultimately suffer."

It's tit-for-tat on trade these days, it seems.

Ahead of Malmström's Monday comments, Trump wrote on Twitter Saturday: "If the E.U. wants to further increase their already massive tariffs and barriers on U.S. companies doing business there, we will simply apply a Tax on their Cars which freely pour into the U.S. They make it impossible for our cars (and more) to sell there. Big trade imbalance!"

China, Canada, Mexico and Brazil are among the nations that have already promised to retaliate if the U.S. moves forward with the steel and aluminum tariffs. Each are among the top 10 providers of steel to the U.S. with the exception of China, which has still been the clear target of the tariffs.

The back and forth on trade barrier threats has the World Trade Organization on high alert.

"In light of recent announcements on trade policy measures, it is clear that we now see a much higher and real risk of triggering an escalation of trade barriers across the globe. We cannot ignore this risk and I urge all parties to consider and reflect on this situation very carefully," Director-General Roberto Azevêdo said speaking at a WTO member meeting on Monday.

"Once we start down this path, it will be very difficult to reverse direction. An eye for an eye will leave us all blind and the world in deep recession. We must make every effort to avoid the fall of the first dominoes. There is still time."

Source: sourcingjournalonline.com- Mar 06, 2018

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Global Yarn and Fabric Production Declines Seen Deepening on Weak Asia Outlook

The International Textile Manufacturers Federation said the relatively stable third quarter 2017 global market for yarn and fabric production is expected to show a deeper contraction in the fourth quarter.

ITMF reported that global yarn production decreased 0.4% in the third quarter from the previous three months and was 2.4% lower than a year-ago-period. An output reduction of 3 percent in Europe and 0.5% in Asia, were somewhat balanced by increases of 0.5% in Africa, 4.8% in the U.S. and 6.5% in Brazil.

"This downward trend is expected to be observed in the fourth quarter due to negative forecasts in the Asian market," according to ITMF.

Global yarn stock declines ranged from 0.3% to 6% in all regions in the third quarter except in Europe, where stocks increased 10 percent. Altogether, yarn stocks reached 105 percent of the previous year's level.

Global yarn orders fell 2.7% around the world from the second quarter to the three months through September, as a result of a 14 percent increase in South Korea, a stable European market and decreases of 2.5% decreases in Egypt and 11.7% in Brazil.

Compared to the previous three months, global fabric production declined 0.6% in the third quarter, reflecting a 10.7% improvement in Brazil, stable conditions in the U.S. and a reductions of 0.9% in Asia, 3.1% in Europe and 7.6% in Africa.

Negative forecasts in all regions should lower this level in the fourth quarter, ITMF said. Global fabric stocks showed a positive trend in all regions in the third quarter, except for a 9 percent drop in Egypt. Overall, global fabric stocks increased 0.5% in the period.

"A significant positive change of 18.4% in stocks has been observed in Brazil," according to ITMF. "This trend has been setting in for the third consecutive quarter. While conditions are relatively stable in Asia and the USA, Europe shows slow but constant positive changes."

Global fabric orders improved in the quarter, with a 18.3% improvement in Brazil counterbalancing reductions of 1.2% in Europe and 2.6% in Africa. This brought the global index up 12.7 compared to the second quarter, ITMF noted.

Source: sourcingjournalonline.com- Mar 06, 2018

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Turkey could retaliate US tariffs with duties on cotton

Turkey could retaliate against potential US steel tariffs by hiking duties on imports of American cotton, one of President Tayyip Erdogan's economic advisers said on Tuesday.

US President Donald Trump said last week he would impose broad tariffs on imports of steel and aluminum to protect American national security, sparking concern from US trade partners and causing turmoil in global stock markets.

"Starting with Turkey, countries affected by the US tax imposition are preparing to answer the US in alternative goods - such as Turkey in cotton," Cemil Ertem, a prominent Erdogan adviser, wrote in the Milliyet newspaper. He did not say how much of a tariff was being considered.

The Economy Ministry said it had spoken to European Union Trade Commissioner Cecilia Malstrom regarding the issue and that they had agreed to cooperate on it in the World Trade Organization (WTO).

Turkey, home to a major textile industry and companies that supply global fashion brands such as Zara, Adidas and Nike, imported USD 519 million worth of US cotton in 2016, according to data from the Turkish Statistical Institute.

US cotton accounted for 42 percent of its total imports that year, the biggest share of any country, the data showed.

Turkey is the world's eighth-largest steel producer and the sixth-largest exporter to the United States.

The reaction so far from Turkish steelmakers to Trump's proposal has been relatively sanguine, with one saying it could ramp up its U.S. business in response. An industry association has said Turkish steel producers could still remain competitive thanks to lower costs.

Trump's proposal has also spurred talk of retaliatory duties from Europe, where officials have threatened counter-measures on Harley-Davidson Inc motorbikes, bourbon and jeans.

The US president has also faced growing domestic pressure from political and diplomatic allies as well as American companies urging him to pull back from the proposed tariffs, although he has said he will not back down.

Source: newindianexpress.com- Mar 07, 2018

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Bangladesh: Vietnamese keen to invest in telecom, textile

Vietnam wants to invest in telecom, agriculture, IT, textile, oil and gas, infrastructure sectors of Bangladesh due the country's low-cost production facilities and large market, said Tran Dai Quang, president of the Southeast Asian nation.

“There is a lot of opportunity for investment given the current size of the economy of Bangladesh,” he said at the 'Vietnam-Bangladesh Business Forum', organised yesterday by the Federation of Bangladesh Chambers of Commerce and Industry.

Tran went to recommend the Bangladesh government to reform the policies for attracting more foreign investment.

At present, Vietnam has $320 billion of foreign investment due to its improved infrastructures, liberal economic policies and its 6.5 percent to 7 percent growth over the last few years.

He suggested Bangladesh for more innovation, higher productivity, adoption of green technologies, expansion of domestic markets, greater transparency and enhanced competitiveness for attracting higher foreign investment.

Vietnam is also keen on taking the bilateral trade between the two countries to $1 billion by the end of this year and to $2 billion by 2020, he said.

At present, bilateral trade between the two countries is heavily tilted towards Vietnam. In fiscal 2016-17, Bangladesh imported goods worth $417 million and exported goods worth $66.44 million, according to data from the FBCCI.

“We would like to encourage bilateral trade in rice, agricultural products, textile and food processing.”

Tran also commended Bangladesh on its poverty reduction efforts. “Actually, I am impressed with Bangladesh's enormous social and economic development.

Bangladesh is a role model in the world in poverty reduction,” he added. Commerce Minister Tofail Ahmed said Bangladesh is already a lower middle-income country and very soon the country would graduate to the middle-income bracket.

The minister offered a special economic zone for Vietnamese investors as the government has been developing 100 such zones across the country for both local and foreign entrepreneurs.

The businessmen of both the countries agreed to form a Bangladesh Vietnam Business Council to focus on sectors and modalities to promote trade and investment between the two countries, said Shafiul Islam Mohiuddin, president of FBCCI.

At the business forum, three investment agreements were signed in the presence of Tran. In the first agreement, TBS Group, which counts global brands like Coach, Tory Burch, Skechers and Decathlon as its long-term customers, agreed to invest $100 million in Bangladesh's leather and leathergoods sector.

The agreement was signed between Saiful Islam, president of Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh, and Diep Thanh Kiet, vice-chairman of Vietnam Leather, Footwear and Handbag Association.

The other two agreements involve setting up two joint venture seafood processing companies in Bangladesh. "We will seek technologies on shrimp farming from the Vietnamese companies," said Belayet Hossain, vice-president of the Bangladesh Frozen Foods Exporters Association, after signing the agreements.

Vietnam has been performing very well on the export of vannamei variety of shrimp. The local fish farmers will also cultivate the vannamei variety of shrimps as this is more profitable than the black tiger and fresh water shrimps that they currently farm.

Source: thedailystar.net- Mar 07, 2018

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Pakistan lagging behind rivals in textile competitiveness

Pakistan's production and earning capacity is far lower as it earns $1 billion through the products of one million cotton bales while Bangladesh and Vietnam earn $6bn and $8bn, respectively, said Asma Khalid, senior economist at State Bank.

She was speaking at a seminar on "Stimulating Firm Productivity for Growth," organised by the State Bank in collaboration with International Growth Centre (IGC), Consortium of Development Policy Research (CDPR) and Institute of Business Administration. Research papers by economists and policy experts were presented and discussed on.

Speakers shed light on some interesting figures about the country's production capacity, export potential, financing hindrances and technology with innovation and also discussed options to achieve sustainable growth with capacity building.

It was also revealed that Pakistani products registered 56 per cent innovation, with Sindh leading on that front while Punjab was ahead in the skills development implementation.

Recent World Bank data show Pakistan's bilateral costs to be relatively higher than those of other developing economies, said Salam Ali of IGC.

He cited a report of the Commonwealth Secretariat which said the country's exports to Commonwealth states are worth $4bn as against the potential of $20bn. He also said that Pakistan's trade cost has remained stagnant compared to India and China's consistently declining costs each year.

Speakers said the higher imports demand for garments in China has created opportunities for countries like Pakistan to get a bigger share. "Rising labour cost in China, growing demand for garments in major Asian economies, and the GSP+ status create new opportunities for Islamabad to increase textile and garments exports," said a research paper of CDPR.

Speakers said that by 2019 China would be the biggest apparel market creating space for Pakistan to benefit from the developments.

"Strengthening capabilities is vital to becoming part of the value chain of a global garments market estimated at $133bn, growing at 12pc annually, with China poised to vacate its share of 26pc of the market," said Ijaz Nabi of CDPR.

Naved Hamid and Nabi in their study of the garments sector manufacturing find Pakistan's high real exchange rate to be harmful for exports. "This was in direct contrast to what other competing economies have done, which is devaluing their currency or allowing their exchange rate to depreciate.

For example, between January 2014 and December 2015, the Indian rupee and Chinese yuan fell by approximately 7pc, the Turkish lira by 26pc and the Vietnamese dong by 76pc," they said.

Zara Salman of CDPR said between 2013 and 2015, Pakistan's garment exports increased by 10pc to EU compared to Bangladesh and India's 13pc and 17pc respectively, indicating that Pakistan has yet not fully exploited the benefits of the GSP+ status.

Pakistan also has an opportunity to expand its share of agriculture exports. China imported $160bn worth of agricultural products in 2015, however, Pakistan's share was less than 0.5pc.

Researchers said Pakistan being next-door neighbour to China enjoys a unique advantage while CPEC provides unprecedented gains to capitalise on.

Agricultural development is one of the seven areas of cooperation under CPEC with China especially interested to explore areas like cotton productivity, efficient irrigation and post-harvest infrastructure.

Source: dawn.com- Mar 07, 2018

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Pakistan's exports to Turkey plummet after hiked duty tax

Pakistan's exports to Turkey have plunged owing to increased duty tax by the importing party, Dunya News learnt Tuesday.

Reportedly, Turkey hiked the tax by 18 percent taking it to 26.4pc from 6.4pc.

Exports to Turkey have plummted by 69percent reducing it to $282million.

Non-implementation of Turkey FTA

On the other hand, Syed Mazhar Ali Nasir, Acting President FPCCI has criticized preferential treatment to Turkish local industries thus negating the spirit of FTA.

The exports of fabrics have been badly affected due to provocative duties imposed by Turkey. The increase in Duty by 18 to 26.4% against 6.4% has been imposed to give unfair advantage to their local textile industry.

The Acting President further said that recently Turkish measures against Pakistani export items has reduced Pakistan's exports to Turkey by 69% to 282 million dollars in 2017 from 906 million dollars in 2011.

To give boost to Pakistani Textile exports to Turkey it can increase if we have an FTA, he said, adding that signing an FTA without driving any benefit to the biggest export industry of Pakistan will be an exercise in futility.

He further showed his concern over discriminatory measures against Pakistani exports for ceasing the benefits of GSP Plus by Turkish authorities which has been granted to various countries except Pakistani.

Syed Mazhar Ali Nasir, Acting President emphasized that a realistic approach has to be adopted by Turkey so that removal of all kind of barriers to trade in general and Pakistani exports in particular are attended in totality so that Pak-Turkey FTA is concluded to the entire satisfaction of Pakistani exporters and given a level playing field.

Source: dunyanews.tv- Mar 06, 2018

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Ethiopia: Industrial Parks Transforming Manufacturing Sector

Ethiopia has been demonstrating significant commitment in expanding industrial parks that would facilitate proper environment for Foreign Direct Investment. These parks are key elements of the infrastructure supporting the growth the country has been pursuing.

The construction of the parks is the continuation of nation's commitment to alleviate poverty and ensure sustainable economic growth over a couple of decades. Although the country mainly concentrated on developing the agricultural sector in those years, it has been exerting efforts to develop the industrial sectors side by side.

Through providing a location in which government, private sector and universities cooperate, these parks create environments that foster collaboration and innovation. They also enhance the development, transfer and commercialization of technology and global knowledge.

About 50 years ago, manufacturing industries in the country were dominated by cottage and handcraft industries which met most of the population's needs for manufactured goods such as clothes, ceramics, machine tools and leather goods. And it was impossible for the nation to invest on industry as it had no adequate capital. The only option the country had was to develop the agriculture sector and integrated it with the industrial development.

Several factors including lack of basic infrastructure, the absence of private and public investment and the lack of any consistent public policy aimed at promoting industrial development contributed to the stagnation of manufacturing industries.

Since 1991, as a result of economic liberalization and commissioning of a comprehensive industrial policy, various reforms reversing the command economy were introduced. As a result, in those twenty six years, the country has invested a lot to develop the manufacturing sector.

In the present system, the government has been undertaking various activities to expand its economy to alleviate poverty and compete with the global markets. In order to realize this, the nation is striving to be the hub of light manufacturing industries in Africa.

The country registered a double-digit economic growth in the past two decades, which is expected to be sustained and attributed to many factors mainly to the development prudent policies and strategies of the country that have a clear national vision aiming to achieve middle-income status by 2025.

In connection to this, the nation established appropriate policies and strategies for the manufacturing sector's development which is an integral policy direction to the achievement of a vibrant and competitive industrial sector. To facilitate this transformation, the government prioritizes the development of textile and garments. The textile industry in the nation has been contributing a lot for export growth for the last few years. The textile and apparel sector had managed to create over 45,000 job opportunities till the previous year.

This achievement is expected to reach fourfold by the end of the Second Growth and Transformation Plan. The government has planned to generate one billion USD from the textile sector in the same period. To make this happen, the government has so far designed policies and strategies to promote Foreign Direct Investment and lure private investors to the sector.

The textile and garment sector requires the latest technology, vendors of raw materials, chemical laboratory equipment, digital textile printing machines and waste processing technologies. To sustain businesses, the textile industry needs to be leaning on export and ready-made garments with cost-efficiency by using the latest technology.

Among other things, Ethiopia has cheap labor, cheap electricity, conducive investment climate and duty free custom services. Due to these and other incentives, Chinese and Indian textile manufacturers are shifting their plants to Ethiopia.

To speed up nation's economic transformation, the textile sector could play very significant role to considerably boost huge productivity in GTP II. This will be attainable if the government can enhance the development of the Ethiopian textile industry through empowering the required skilled manpower.

Of course, the textile and apparel industries could also play imperative contribution to improve people's livelihood and are important to exploit manufacturing industries.
Above all, the sector has to consume the raw materials gained from the agriculture sector and produce globally competitive commodities that can generate foreign currency.

These days, domestic and foreign investors are entering in textile industries aiming at exploiting domestic consumption and meeting the export needs. But, the number of domestic investors engaged in the sector is not sufficient compared with their foreign counterparts, despite much of them are occupied by foreign investors.

However, this often provokes grievance among local investors and who want to participate in the investment area. It is good if they accumulate technical and financial capability before they want to enter industrial parks.

In the recent years, the sector has shown encouraging progress and provided fundamental contribution for the economic and social growth of Ethiopia. Though textile is one of the essential commodities that bring considerable export earnings to the nation, it must develop the capacity of fulfilling all round engineering and technology facilities.

Of course, the sector dramatically proceeds to be an extremely ever-changing and essential sector of the economy providing large scope for competent graduates to make their appraisal.

It is also essential to exploit other countries' clothing-related technological knowledge, skills and experience in a specialized area of textile technology and management. In this case, domestic investors have solidified role of setting up industries massively, and in recruiting human power.

Therefore, industries that are engaged in textile are required to hire skilled human power to beefing up FDI at expected level. On the other hand, foreign investors are hoped-for to equip and transform the textile manpower to a stage where it should provide competitive support and service based on international standard.

Source: allafrica.com- Mar 06, 2018

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Sales at UK's biggest e-retailers jump 23% in 2016-17

Sales at the 20 biggest online-only retailers of the United Kingdom have jumped by 23 per cent in the last year, hitting £8.4 billion in 2016/17, up from £6.8 billion 2015/16, says a recent survey. The sharp rise shows no sign of slowing down, with rise in mobile commerce as shoppers embrace ‘anywhere, anytime’ shopping via their smartphones.

Augmented Reality functionality in e-retail apps, allows shoppers to see exactly how a purchase will look in their home, reveals a research by UK-based professional services firm RPC. The research covers household names such as Ocado, ASOS and AO.com, as well as fast-growing brands.

RPC found that last year Marks & Spencer’s online sales were up by 6 per cent, compared to just 1 per cent for its retail operations as a whole. "The maturing of m-commerce is helping e-retailers super-charge sales.

Increasingly sophisticated mobile shopping platforms are making it easy for consumers to make purchases quickly and easily whenever they want, wherever they are," said Jeremy Drew, co-head of retail at RPC.

"From being virtually unknown five or ten years ago, many online-only retailers are building strong brands and grabbing more and more market share. Innovative business models and rapidly evolving new technologies such as robotics and AI are enabling e-tailers to be increasingly agile and responsive to customers, while still keeping prices down," stated the study adding that there is an increase in the number of bricks-and-mortar retailers investing heavily in their online offerings too.

Online retailers are also sharpening their competitive edge by investing in automation in their warehousing and logistics to become more efficient as competition on choice, price and customer convenience intensifies, according to the study.

Karen Hendy, RPC's Co-Head of Retail adds, "As online-only sales continue to grow strongly, there's real potential for a wave of consolidation among e-retailers.

Some of the larger players will be keeping an eye out for fast-growing platforms they can bolt-on, in order to rapidly grow their customer bases or to give themselves a foot in the door of new markets. We are already seeing this sort of strategic deal-making taking place."

In 2017, fashion e-tailer BooHoo acquired online rival Pretty Little Thing and US fashion label Nasty Gal in deals worth over £19 million.

Source: fibre2fashion.com- Mar 06, 2018

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NATIONAL NEWS

Good demand for Indian cotton in overseas markets on depreciation

There is good demand for Indian cotton from overseas markets this season.

Bangladesh, Pakistan, Vietnam, Indonesia and various other countries are buying cotton from India heavily this season.

Around 40 lakh bales of cotton have been exported from the country so far and another 15-20 lakh bales are expected to be exported by the end of this season, top officials of the Khandesh Ginning & Pressing Factory Owners & Traders Association said.

Interestingly, there are market reports of the likelihood of export of some 10 lakh bales to China this season. Alongside exports, imports have also gone up this season because of the Pink Bollworm infestation, according to industry people.

There is good demand coming from these countries for Indian cotton, according to Pradeep Jain, president of the Association. Around 14 lakh bales have been exported to Bangladesh so far, 9 lakh bales to Pakistan and the remaining to Turkey, Vietnam and Indonesia.

Exports from India this year have received a fillip thanks to the rupee depreciation, he said. Industry experts pointed out that China has not been importing cotton for the last two to three years and has been using its buffer stock of some 1 crore bales and may soon tap overseas markets for some 20-25 lakh bales in the next 7-8 months.

In addition to exports, the country has also imported around 10 lakh bales so far and there is the possibility of imports touching 35-40 lakh bales, industry experts pointed out.

The Cotton Association of India (CAI) has lowered its crop estimates for the ongoing 2017-18 crop year at 367 lakh bales. The association has released its January 2018 estimate of the cotton crop for the year 2017-18 beginning from October 1, 2017.

The CAI has lowered its estimate for the ongoing season by 8 lakh bales. The reason is severe Pink Bollworm infestation, Atul Ganatra, president of CAI had stated. In accordance with the advice of the scientists, the farmers in several areas, particularly in Maharashtra and Telangana, have uprooted their cotton crop without waiting for further pickings, he said.

The projected balance sheet drawn by the CAI estimated total cotton supply for the season at 417 lakh bales of 170 kg each, including the opening stock of 30 lakh bales

Source: financialexpress.com- Mar 07, 2018

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India to topple China yet again as fastest growing economy, and this time for 5 years

India is poised to topple China yet again to become the fastest-growing major economy, and this time for at least five years.

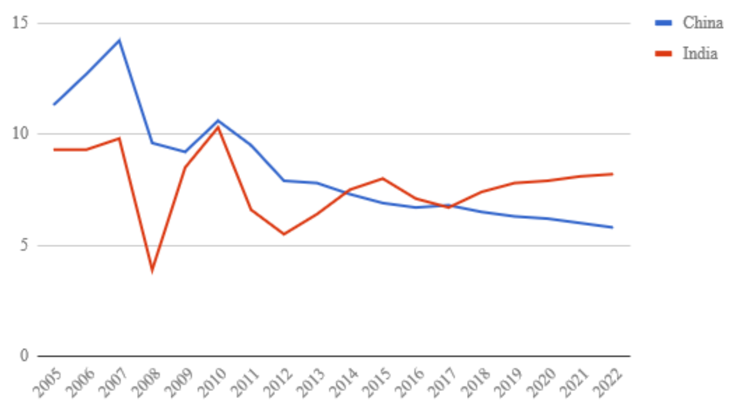
After a minor blip in 2017 due to disruptions caused by note-ban and the new GST regime, India's GDP growth is expected to rebound sharply and keep pacing for at least next five years, according to latest data.

Meanwhile, China's economic growth will continue to slow — dragging its growth to a 32-year-low of 5.8% by 2022, according to the latest estimates by International Monetary Fund (IMF). The reason for the widening economic growth gap between the two countries is the policies being adopted by respective governments.

While China's Xi Jinping is poised to take forward policies to curb poverty, pollution, and financial risks, the Narendra Modi government in India is pushing for a business and investment-friendly environment.

Rating agency CRISIL has said that India's consistent economic growth uptick will be driven by structural changes, focus on the agricultural sector, and a rise in the global growth.

The chart below shows India and China's past and future GDP growth projections by IMF



In 2017, India missed the top spot by just 0.1 percentage point. For the January-December period in 2017, India's GDP growth was 6.7%, while for China, it was 6.8%. But 2018 onwards, India's growth is estimated to accelerate and China's growth to decelerate — consistently.

Disruptions over; time to reap benefits!

"After two sub-par years, interjected by demonetisation and rollout of the Goods and Services Tax (GST), growth is seen recuperating to a respectable 7.5% next fiscal," Crisil said in a report titled The Fours of Growth. It said that for India's growth will be driven by four 'R's — that will critically determine the extent of pick-up and its sustainability.

They are: 1) Resolution of stressed assets in banking; 2) rural rejuvenation; 3) relentless implementation of reforms, and; 4) rising global growth. The transparent and time-bound process to resolve the problem of stressed asset offers hope for the "lending cycle to start, a requisite for growth step-up", Crisil said.

The focus on demand and job creation through spending on rural and labour-intensive infrastructure space is likely to support growth in the next fiscal, and push demand in the consumer sectors.

Even as major structural reforms like the Goods and Services Tax (GST), Real Estate (Regulation and Development) Act, and Ujwal Discom Assurance Yojana (UDAY) rolled out in last few years have teething issues at the implementation stage, Crisil said, they also have potential to be transformative in the long run.

China to still lead…

But despite Indian economy firing on all cylinders, it has not been able to capture the space vacated by China. Crisil has pointed out that China is exiting the low value-added (textiles, apparel, footwear, toys, etc.) manufacturing space as wages there are rising, erasing the low-cost advantage it once enjoyed but India has not been able to capture that space.

"Much as it would like to capture the space vacated by China, India has so far been unable to do so, because of competitiveness issues," Crisil said, adding that India's manufacturing exports competitiveness has been hindered by a variety of factors, such as rigidity in labour laws, challenges associated with land acquisition, inadequate physical infrastructure, and poorly skilled manpower despite an improvement in the Ease of Doing Business ranking.

Moreover, the comparison of India-China GDP growth in terms of Purchasing Power Parity (PPP) tells a different story.

China's economy is expected to constitute 18% of the world's economy in 2018, while Indian economy is expected at about 8%.

In next ten years, India is estimated to become the third largest economy in the world, while China is already world's largest economy.

Source: financialexpress.com- Mar 06, 2018

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India's apparel exports may dip in FY18 over GST, global challenges

Growing uncompetitiveness, lack of refunds and incentives post GST may push back exports from $17 billion

If the 10-month data from April 2017 to January 2018 is anything to go by, India's apparel industry may post a rare decline in exports for the current fiscal 2017-18, let alone meeting the $20 billion target. While India may have reported a 6-20 per cent growth in apparel exports to different destinations such as the US, UK, Germany, France and Spain during November-December 2017, overall exports in the sector are down by one per cent for the 10-month period of this year.

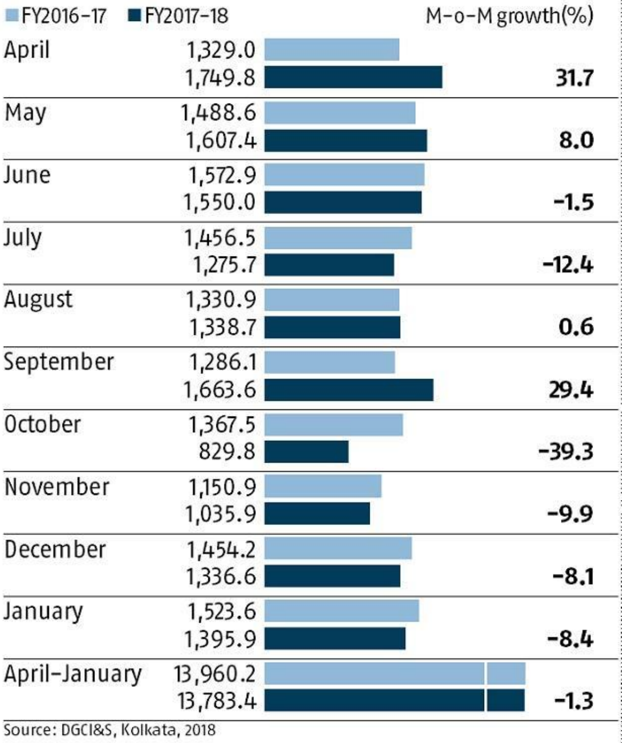
Global factors such as free-trade agreements of competing nations with key markets like Europe, the UK and the US had already been posting a challenge to Indian ready-made garments (RMG) exporters. However, post Goods and Services Tax (GST) implementation in July 2017, reduced export incentives coupled with delay in input credit refunds have further accentuated the industry's woes.

Data shared by industry body Apparel Export Promotion Council (AEPC) shows that India's RMG export to world in the April-January of 2017-18 was to the tune of $13,783.4 million. down 1.27 per cent compared to the same period of previous financial year. During April-January 2016-17, India's apparel exports were to the tune of $13,960.2 million.

According to AEPC and rating agency Icra, the decline has been primarily driven by the sharp decline in exports to the UAE market. This has been augmented by dismal global apparel trade which remained subdued at a mere one per cent growth in calendar year 2017, following a decline of two per cent and five per cent in 2016 and 2015, respectively.

As per Icra, particularly for the ten-month period ending June 2017, India's apparel exports to UAE had grown at a sharp pace of 56 per cent year on year (YoY). "Thereafter, apparel exports to the UAE have fallen at an equally fast pace, by as much as 45 per cent since June 2017.

Excluding the trade with the UAE, India's apparel exports are estimated to have stood 3-4 per cent higher in 10 months of FY2018," Icra stated. HKL Magu, chairman of AEPC told Business Standard that the industry will not be able to reach the target of $20 billion of apparel exports.



India's ready-made garment Exports (figures in $ million) "The implementation of GST since July has resulted in blockage of funds for the export community due to lack of input credit refunds.

Except for a few exporters, hardly anyone has received refunds since last eight months. Exporters don't have money to pay to suppliers. Secondly, export incentives such as duty drawback and rebate on state levies (ROSL) have been reduced," said Magu.

While duty drawback rate and rebate of state levies (ROSL) were lowered to two per cent from 7.5 per cent and 3.9 per cent, respectively in the post GST era, incentive under merchandise exports from India scheme (MEIS) was increased from two to four per cent. However, with the MEIS deadline expiring on June 30, 2018, the industry is uncertain of taking orders beyond the date on the basis of a higher incentive. "If they don't renew it then we will be unable to book orders beyond June because we are unsure if MEIS will continue after that.

We will lose money if we assume four per cent incentive beyond June and the government does not extend it," said Magu. Already, global factors have been rendering Indian RMG exporters uncompetitive. "While China has vacated the apparel export space, India is unable to encash on the opportunity unlike Vietnam, Bangladesh or Cambodia who have free trade agreements. India is emerging as an expensive affair in the global apparel market," Magu stated.

Supported by its duty-free access to the EU market, Bangladesh retains its status as the second-largest apparel exporter after China. Vietnam remains the fastest growing amongst large apparel exporting nations, maintaining its growth in the US market despite the latter backing out of a proposed trade agreement.

Further, Jayanta Roy, Senior Vice-President and Group Head, Icra is of the view that the competitiveness of the Indian apparel exporters will also remain contingent upon the movement in foreign exchange rates.

"This remained a key challenge last year, with the Indian rupee appreciating by three per cent (vis-à-vis US$) in calendar year 2017 compared to 1-3 per cent depreciation in currencies of other key apparel exporting nations (i.e China, Bangladesh and Vietnam)," said Roy.

Source: business-standard.com- Mar 06, 2018

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Czech Republic pushes for early resumption of India-EU FTA talks

Trade Minister says huge scope for bilateral cooperation in railways, nuclear power

The Czech Republic is pushing for an early resumption of the free trade agreement between India and the EU which it feels would result in a "win-win" situation for both.

The country's Trade and Industry Minister Tomas Huner, who is in India with a business delegation to participate in an engineering goods expo in Chennai, discussed ways to re-start the stalled FTA talks with his Indian counterpart Suresh Prabhu.

"I will discuss the resumption of the FTA talks between India and the EU with Commerce Minister Suresh Prabhu as we totally support the proposed pact. We believe that cooperating more with India in trade and investments will create a win-win situation," Huner told BusinessLine before his meeting with Prabhu.

Talks on India-EU FTA, formally known as the Broad-based Trade and Investment Agreement (BTIA), have hit a road-block over contentious issues such as tariff reduction by India on automobiles and wines and spirits and recognition of the country as a data secure destination by the EU.

Rail ties

Huner, who also met Minister of Railways and Coal Piyush Goyal, discussed areas of cooperation between the two countries in Railways. “We were talking about possibilities on cooperation not only in traffic system, including signalling and digital but also in safety system,” he said.

While India’s exports to the Czech Republic mostly comprises engineering goods, there is an opportunity to widen the basket as the country is one of the fastest growing in the EU with a 4.5 per cent GDP growth in 2017, said Czech Ambassador to India Milan Hovorka.

Taking an indirect dig at countries such as the US which is creating a big issue about trade deficits, Hovorka said that the bilateral trade between the two countries at $1.5 billion was in India’s favour but the Czech didn’t have any problems with that.

“Both countries benefit from their comparative advantages. We have a deficit with India. We don’t care about deficit. Because we think that this is primarily about relationships and about competitiveness,” Hovorka said.

The Czech Trade Minister pointed out that Czech companies such as automobile giant Skoda, Tetra and financial company Home Credit were doing very well in India and many others had plans of expansion.

India and the Czech Republic also discussed cooperation in nuclear power.

“We have 2,000 MW new capacity (nuclear power) in the Czech Republic. There is a good scope of cooperation with India as our nuclear power stations are using domestic technology. There is interest on both sides and we had very good and strong communication,” Huner said.

Source: thehindubusinessline.com- Mar 07, 2018

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BG-II cottonseed prices set to drop this season

Govt-constituted panel recommends ₹60 cut per seed packet of 450 gm

The price of cottonseed with Bollgard-II is set to be reduced from ₹800 last season to ₹740 for a packet of 450 gm.

The panel set up by the Centre to recommend cottonseed prices for the upcoming kharif season has felt that the BG-II seed needs to be sold at a lower price point.

Royalty fee cut

The reduction will happen on two components — while for dealers and seed producing firms there will be a drop of ₹50, the Mahyco Monsanto Biotech Limited will take a reduction of ₹10 in the trait value.

The trait value or royaltee fee will now be reduced to ₹39 from ₹49.

This is the third meeting of the panel which was formed after the government decided to regulate the price through the Cottonseeds Price (Control) Order, 2015.

While the first meeting two years ago reduced the trait value to ₹49 from ₹130, the second meeting had left the prices unchanged.

The recommendations of the panel are generally accepted by the government.

Seed producers unhappy

B Sugunakar Rao, a farmer's representative in the panel, said that the State governments have been asked to ensure a payment of ₹330 for seed producers from the total price of ₹740.

"The panel has recommended a reduction of research and development costs to ₹20 from ₹30, dealer margin to ₹60 from ₹75," he said.

The National Seed Association of India (NSAI) is upset over the move to reduce the price of cottonseed with Bollgard-II technology.

It said any reduction in the price will harm the seed industry.

The price of Bollgard-I cottonseed remains untouched at ₹635 a packet. Companies have stopped producing BG-I seeds as there are no takers for the first generation biotech seed after the advent of BG-II.

The NSAI had demanded for removal of royalty (on Bollgard-II), arguing that the technology has lot its efficacy over three seasons ago.

“This price is not viable. Many companies may not be able to produce seeds in future at this price,” NSAI President M Prabhakara Rao told Business Line.

Rising input costs

The association said that the seed price has remained stagnant for over seven years. “In fact, it has come down in the last two years as cost of production is going up,” he said.

“There is not much difference in the cost of production on BG-I and BG-II. Reduction of non-royalty component of the price would impact the seed producers,” he said.

Source: thehindubusinessline.com- Mar 07, 2018

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Union minister says cotton production nearly doubled since Bt Cotton's introduction in 2002; facts show yields have stagnated

"Since the introduction of Bt cotton in 2002, there has been a near doubling of cotton production in the country," Mahesh Sharma, minister of state for environment, forest and climate change, told the Rajya Sabha on 5 February, 2018.

However, cotton yields have stagnated in the past decade even as the proportion of Bt Cotton in India's total cotton harvest rose seven times, a FactChecker analysis of government data shows.

Bt Cotton – a genetically modified variant designed to fight the pink bollworm, a pest that affects cotton crop – was officially approved for commercial cultivation on 26 March, 2002, in order to increase cotton yield through reduced losses to pests, and to reduce pesticide usage.

However, pesticide use per hectare has doubled in a decade to 2015-16, our analysis found.

Increased fertiliser and pesticide use led to far-reaching health, environment and economic impacts for the country, studies show.

Producing 1 kg of cotton in India requires 22,500 litres of water, compared to the global average of 10,000 litres, Water Footprint Network, a global initiative for promoting fair water use, has estimated in 2015. The high water footprint for India's cotton is due to inefficient water use and high rates of water pollution.

At a time when 100 million Indians do not have access to safe water, the water India consumed to export cotton in 2013 would have been enough to provide an additional 100 litres of water to 85 percent of India's population.

"Bt Cotton hybrids utilise more nutrients and water for higher yields and profits, therefore the soils are getting progressively depleted and need more nutrient recharging," KR Kranthi, who currently heads the International Cotton Advisory Committee's technical information section, said in April 2012.

In decade to 2015-16, cotton yields rose 2.5 percent

In 2005-06 when Bt Cotton's proportion in India's cotton harvest was 11.7 percent, cotton yields were at 472 kg/ha. In 2015-16, as Bt Cotton's proportion rose to 92.17 percent, the cotton yields were 484 kg/ha–up 2.5 percent.

In absolute numbers, India's cotton harvests rose 40.2 percent, from 24.1 million bales (a bale is 170 kg of cotton) in 2005-06 to 33.8 million bales in 2015-16, according to data from the Cotton Advisory Board, a government body.

During the same period, area under cotton cultivation rose 37 percent from 8.68 million hectares to 11.88 million hectares, while the yield rose only 2.5 percent, as we said, suggesting that the rise in harvest had little to do with the widespread use of Bt Cotton.

As proportion of Bt Cotton recorded its first significant drop – of nearly 9 percentage points – in 2016-17, the yield rose 11.7 percent and harvests rose 3.8 percent even as area under cultivation fell 11.6 percent.
A good monsoon was the main reason for the higher yield, the Cotton Association of India suggested.

"[T]he government agencies have made attempts to portray a rosy picture with regard to the success of Bt Cotton in the country which actually is not the case," the Parliament Standing Committee on Science & Technology, Environment & Forests said, in its 301st report on 'Genetically Modified Crops and its Impact on Environment'.

"The Committee further learns that India's cotton yields increased by 69 percent in the five years (2000-2005) when Bt cotton was less than 6 percent of total cotton area, but by only 10 percent in the ten years from 2005 to 2015 when Bt cotton grew to 94 percent of total cotton area," the report added.

The most significant increase in India's cotton yields took place in 2003-04 and 2004-05 – when the yields went up 32 percent and 18 percent, respectively.

"It can safely be said that yield increase in India would not have happened with Bt-cotton alone without enhanced fertilizer usage, without increased irrigation, without seed treatment chemicals, and the absence of drought-free decade," KR Kranthi said in this December 2016 report.

"The alluring promise of higher yield and lower pesticide usage which induced many, including myself as Textile Secretary to the Government of India in the 1990s to welcome Bt cotton have now been belied," former textile secretary TSR Subramanian wrote for The Hindu in May 2017.

"Despite increased fertilisers and irrigation, the expectations of enhanced cotton yield have not been realised. Most of the countries that have higher cotton yields than India do not grow GM cotton."

In 2017, India was ranked 32nd on countries in the ranking for highest cotton yield globally. Of the 31 countries ranked above India, only 10 use genetically modified cotton.

"The package of promises sold to us did not reveal all of this," Subramanian wrote. "If I had an inkling of the future at that time, Bt cotton would not have been introduced in India."

Fertiliser use more than doubled, endangering health, soil and increasing costs

Fertiliser use for cotton rose 128 percent from 118 kg/ha in 2005-06 – when Bt Cotton's proportion in overall cotton was 11.7 percent –to 270 kg/ha in 2015-16 (latest year for which data are available), when Bt Cotton accounted for 83.33 percent of India's cotton.

This increase is in line with the predictions of Charudatta Digambarrao Mayee, ex co-chair of Genetic Engineering Appraisal Committee of India and currently the President of Board of Directors of South Asia Biotechnology Centre.

"If the area under advanced transgenic seeds increases to 10 percent in a few years from the present level of 4 percent, the country's fertiliser consumption will increase 107 percent to 220 kgs per hectare from the current levels (the latest available figure 2005-06), at 106 kgs per ha," Mayee had said in 2009.

Increased fertiliser use has implications ranging from negatively impacting human health, degrading soil health, and groundwater pollution and degradation, to increase in cultivation cost for farmers and a huge burden on the taxpayers in the form of fertiliser subsidies.

Source: firstpost.com- Mar 06, 2018

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IHGF Delhi fair witnessed more than 5,000 buyers from 111 countries

The 45th edition of IHGF Delhi Fair Spring 2018 concluded successfully at India Expo Centre and Mart, Greater Noida, with business enquiries valued at Rs 2700 crores.

The fair played a significant role in exponentially increasing exports of handicrafts from the country where exports during the launch year 1994-95 which was Rs 3,159.62 crore has touched a phenomenal Rs 24,392.39 crore in 2016-17, said O P Prahldka, Chairman, EPCH.

More than 5,000 buyers from 111 countries visited the recently concluded IHGF Delhi fair, to source home, lifestyle, fashion and textiles products. The 45th edition of the biannual fair was an international platform to boost exports of small and medium entrepreneurs of the handicraft sector. With time, Indian export trade has widened its scope and reach.

Buyers from the world's most prestigious companies/ departmental stores were seen placing orders. These included Apropos International Inc., Anthropologie, Four Hands LLC, Brylane Home, Earthbound Trading, Cost Plus World Market, Imax Corpn, Kalalou, among others.

Export Promotion Council for Handicrafts (EPCH) has been doing tremendous efforts for increasing exports of handicrafts from the country firstly by organising this kind of handicrafts fair twice a year. Secondly, it is helping by setting up infrastructures at different craft clusters of the country to provide the product and design development facilities, use of technology to produce products in large quantities and also providing marketing linkages to the artisans and craftspersons, said Ajay Tamta, minister of state for textile.

Rakesh Kumar, ED – EPCH, organiser of the fair, said that the five days knowledge seminars saw large turnout of exhibiting companies as these included different and important subjects like cultural differences between the East and West and how they impact business; symposium on positioning of J&K handicrafts in domestic and overseas markets; goods and service tax; intellectual property rights; Customs Trade Partnership Agreement Terrorism; verification of certified forest products & trends and forecast – spring summer 2019.

Source: yarnsandfibers.com- Mar 06, 2018

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Resil inks pact with Japan's Nicca to sell textile chemicals

Resil Chemicals has entered into business alliance with Japan's Nicca Chemical for joint development and marketing of products used for processing synthetic textiles.

India is a leading textile market with a focus on cotton textiles. However, in recent years processing of synthetic textile products has been growing and India has emerged as the largest synthetic textiles markets in the world after China.

Nicca Group has traditionally exported and sold textile processing chemicals on its own. However, to strengthen sales in South-West Asia, it has decided to collaborate with Resil, which has in-depth technical know-how to accelerate business development in the most effective way forward, Nicca said in a statement.

While Resil will have the exclusive rights to distribute Nicca textile chemical products in India, Resil Chemicals will grant Nicca permission to sell its textile chemicals in countries such as Japan, Korea, Taiwan, China, Vietnam, Thailand, Indonesia and the US.

As part of the business alliance, the two companies will start joint product development and marketing activities for innovative textile chemical solutions.

Source: thehindubusinessline.com- Mar 06, 2018

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