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The Cotton Textiles Export Promotion Council (TEXPROCIL)
Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai 400004. Maharashtra State. INDIA
W. www.texprocil.org E. ibtex@texprocil.org T. +91-22-23632910 to 12 F. +91-22-23632914

IBTEX No. 208 of 2018 October 09, 2018

USD 74.11| EUR 85.17 | GBP 97.08 | JPY 0.66

Cotton Market		
Spot Price (Ex. Gin), 28.50-29 mm		
Rs./Bale	**Rs./Candy**	**USD Cent/lb**
21943	45900	**79.13**
Domestic Futures Price (Ex. Gin), October		
Rs./Bale	**Rs./Candy**	**USD Cent/lb**
22260	46563	**80.27**
International Futures Price		
NY ICE USD Cents/lb (Dec 2018)	77.55	
ZCE Cotton: Yuan/MT (Jan 2019)	15,625	
ZCE Cotton: USD Cents/lb	**87.14**	
Cotlook A Index – Physical	**85.80**	

Cotton Guide: Crude Palm oil futures trades at BMD declined on Monday to settle the third month at 2187 MYR/MT. This has declined from the last week's high of 2230 level. We think market is still respecting to its broad views which are considered to be bearish for the price. Market is correcting down every time it is making a swift rebound as the broad trend is weak amid seasonal production season, higher ending stocks and steady trend is exports.

Also market has failed to break 2250 as key resistance level hence it has started to decline which can be conjugated with the upcoming MPOB report scheduled on Wednesday this week. The report is expected to show an increase in the production and ending stocks while exports might remain steady. As per previous report the production stood at 1.62 million tons and we think it should increase in this month. Likewise, stocks might increase above 2.50 million tons and the export may hold near 1 million tons. Any strong decline in the figure would mean considerable decline in the price.

We think the broad price range 2130 to 2250 is though still intact but there is enough scope for it to come down towards the bottom of the price band.

However, as said above the export figure might be slightly dicey which can keep the market volatile. On the contrary it is also expected that exports number for this month might increase. Palm oil exports from both countries are expected to remain firm in October due to firm demand from India ahead of festivals and stocking by all major destinations before winter. However, palm oil exports will falter after October leading stocks higher in both countries. Ringgit and Rupiah has depreciating due to rise in dollar Index. Depreciation of both currencies makes palm oil more competitive compared to other competing oils. Indonesia Rupiah is under pressure due to higher current account deficit due to rise in crude oil prices and fall in prices of other exportable products ranging from palm oil, coal, rubber, cocoa etc. It has depreciated more than Ringgit in 2018. This has led to higher prices of palm oil from Malaysia compared to Indonesia.

RBD palmolein over CPO is running over USD 45 per ton. This will make exports of palm oil from Malaysia uncompetitive. However, despite higher premium of Malaysian palm oil exports have shot up in September indicating strong underlying demand in near term. Due to fall in palm oil prices in last 3-4 months has led to renewed buying of palm oil by major destinations. This buying is also due to zero export duties. EU is buying to take advantage of lower prices and lower duties and stock before onset of winters. Competitive oils like CBOT soy oil and RBD palmolein is expected to fall due to oversupply concerns

At the domestic market the October future has posted a lower close on Monday at Rs. 591.70. We think market might remain sideways to lower. The trading range for the day would be Rs. 587 to Rs. 595 per 10kg.

FX Guide:

Indian rupee has opened higher by 0.25% to trade near 73.88 levels against the US dollar. Correction in crude oil price and stability in Chinese equity market has lent some support to rupee. Brent crude has corrected from recent 4-year high amid prospect that Saudi Arabia may compensate for any supply loss from Iran. Chinese equity markets got some footing today after yesterday's sell-off amid expectations that government may continue with measures to support the economy. However, weighing on rupee are trade deficit and budget deficit concerns, rising inflation expectations and pressure in domestic equity market and uncertainty about state and central elections.

Global economic outlook has also worsened amid trade worries. IMF lowered its global growth forecast for 2018 from 3.9% to 3.7%, first downgrade since July 2016, citing escalating trade tensions and stresses in emerging markets. The US dollar is also supported by higher yields as 10-year bond yield hit the highest level since May 2011. Rupee has turned choppy after hitting record level last week but general bias is still on downside due to upbeat outlook for US dollar. USDINR may trade in a range of 73.7-74.2 and bias may be on the upside..

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

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INTERNATIONAL NEWS

Global growth has plateaued at 3.7 per cent; clouds on the horizon: IMF

Global growth has plateaued at 3.7 per cent, the International Monetary Fund (IMF) said Tuesday, with its chief economist warning the world that there are clouds on the horizon and growth has proven to be less balanced than hoped.

“Last April, the world economy’s broad-based momentum led us to project a 3.9 per cent growth rate for both this year and next. Considering developments since then, however, that number appears over-optimistic: rather than rising, growth has plateaued at 3.7 per cent,” IMF Chief Economist Maurice Obstfeld said as the world body released the World Economic Outlook, its annual flagship report.

Released during the annual IMF and World Bank meeting in Bali, Indonesia, the World Economic Outlook projects that global growth will remain steady over 2018–19 at last year’s rate of 3.7 per cent. This growth exceeds that achieved in any of the years between 2012 and 2016, he said.

“It occurs as many economies have reached or are nearing full employment and as earlier deflationary fears have dissipated. Thus, policymakers still have an excellent opportunity to build resilience and implement growth-enhancing reforms,” Obstfeld said.

But “there are clouds on the horizon,” he said. “Growth has proven to be less balanced than hoped. Not only have some downside risks that the last WEO identified been realised, the likelihood of further negative shocks to our growth forecast has risen. In several key economies, moreover, growth is being supported by policies that seem unsustainable over the long term.

These concerns raise the urgency for policymakers to act,” the top IMF official said. Noting that growth in the United States, buoyed by a procyclical fiscal package, continues at a robust pace and is driving US interest rates higher, Obstfeld said US growth will decline once parts of its fiscal stimulus go into reverse.

"Notwithstanding the present demand momentum, we have downgraded our 2019 US growth forecast owing to the recently enacted tariffs on a wide range of imports from China and China's retaliation," he said, adding that China's expected 2019 growth is also marked down. Domestic Chinese policies are likely to prevent an even larger growth decline than the one IMF projected, but at the cost of prolonging internal financial imbalances, he said.

"Overall, compared with six months ago, projected 2018–19 growth in advanced economies is 0.1 percentage point lower, including downgrades for the euro area, the United Kingdom, and Korea. The negative revisions for emerging market and developing economies are more severe, at -0.2 and -0.4 percentage point, respectively, for this year and next year," Obstfeld said. With their core inflation rates largely quiescent, advanced economies continue to enjoy easy financial conditions.

"This is not true in emerging and developing economies, where financial conditions have tightened markedly over the past six months," he said. For emerging market and developing economies, gradually tightening US monetary policy, coupled with trade uncertainties and — for countries such as Argentina, Brazil, South Africa, and Turkey — distinctive factors, have discouraged capital inflows, weakened currencies, depressed equity markets, and pressured interest rates and spreads, he said.

Many emerging economies, he noted, are managing relatively well — given the common tightening they face — using established monetary frameworks based on exchange rate flexibility. "But there is no denying that the susceptibility to large global shocks has risen.

Any sharp reversal for emerging markets would pose a significant threat to advanced economies, as emerging market and developing economies make up about 40 per cent of world GDP at market exchange rates," the IMF chief economist warned.

Obstfeld said the impacts of trade policy and uncertainty are becoming evident at the macroeconomic level, while anecdotal evidence accumulates on the resulting harm to companies. "Trade policy reflects politics, and politics remain unsettled in several countries, posing further risks," he added.

He urged all countries to prepare their workforces for the ways that new technologies will change the nature of work. “Ensuring that growth is inclusive is more important than ever.

Unless growth can be made more inclusive than it has been, centrist and multilateral approaches to politics and policy will become increasingly vulnerable — to the detriment of all,” Obstfeld said.

Source: financialexpress.com- Oct 09, 2018

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Apparel Imports From China Continue to Decline Amid Trade War

China continues to see its share of U.S. apparel imports erode, as companies shy away from the once-dominant supplier in the midst of a trade war with the United States.

China’s apparel shipments to the United States fell 2 percent in value, to $3.08 billion in August compared to a year earlier, as the volume of U.S. apparel imports from the country declined 0.6%, to 1.29 billion square meter equivalents (SME) in the same period, according to the U.S. Commerce Department’s Office of Textiles & Apparel (OTEXA).

Combined, apparel and textile imports from China increased 1 percent, to 3.3 billion SME.

U.S. apparel imports from around the world were up 1.4% in August year-to-year, to $8.37 billion in value, and increased 1.3% in volume, to 2.73 billion SME, according to OTEXA. Textile imports grew 7.7% in the period, to 3.66 billion SME.

Among the top 10 suppliers, apparel imports from Vietnam, the United States second biggest apparel and textiles supplier, rose 1.21% in August, to 331 million SME, and increased 2.7%, to $1.84 billion in value from a year earlier.

Third-place Bangladesh’s shipments increased 2.52%, to 158 million SME, but fell 2.4%, to $453.62 million in value in the period.

Elsewhere in Asia, imports from Indonesia were up 5.92%, to 104 million SME; India's shipments rose 0.24%, to 84 million SME; Cambodia's increased 1.11%, to 90 million SME; and Pakistan's rose 16.51%, to 52 million SME.

Top Western Hemisphere suppliers saw mixed results. Apparel shipments from Honduras fell 11.3%, to 87 million SME, and El Salvador's declined 4.01%, to 69 million SME.

Mexico's apparel shipments rose 5.73%, to 75 million SME, but declined 1.9% in value, to $307.16 million. Mexico could see a boost from the new trilateral free trade agreement with the United States and Canada, the United States-Mexico-Canada Agreement (USMCA), that now rids the market of the uncertainty hurting its exports to the United States as the fate of the North American Free Trade Agreement was in limbo.

Meanwhile, the U.S. Census Bureau and the U.S. Bureau of Economic Analysis reported that U.S. trade deficit goods increased $3.2 billion, to $53.2 billion in August from July, including a $34.4 billion goods deficit with China despite tariffs imposed on a range of materials.

August exports were $209.4 billion, $1.7 billion less than July exports, while August imports totaling $262.7 billion were $1.5 billion more than in July.

Source: sourcingjournal.com- Oct 08, 2018

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USA: 'War for Talent' as Apparel Supply Chain Faces Skills Shortage

More than 60 percent of fashion professionals in a recent survey said the apparel industry is struggling to fill roles requiring specialized skills within the supply chain, and there is fear that individuals with real hands-on experience will age out at a faster rate than newly trained skilled labor can be brought on to replace them, risking a gap in valuable knowledge transfer.

Meanwhile, 30 percent of those surveyed said they are dissatisfied with the available training in the industry.

The findings are part of a special report titled, "The State of Skills in the Apparel Industry 2018," undertaken by fashion innovation firm Alvanon in partnership with eLearning platform Motif, together with 13 apparel organizations. The report surveyed 642 industry professionals across the global supply chain, including executives, human resource personnel and employees, to assess the talent needs within the apparel sector.

Among the findings were indications that not only is there insufficient or inadequate training to maintain the skilled workforce levels necessary, but the level of investment in training to meet those needs falls short, too, and will lead to a "generalization of poor market practices" unless there's a proper response in short order.

Alvanon CEO Janice Wang suggests the time is now for the industry to invest in training and recruitment for the future generation of fashion suppliers.

"The last generation of people who possess hands-on experience in factories and deep industry knowledge are now between 55 to 75 years old," Wang said. "There is only a small window of time left to harness and encapsulate some of that experience into learning journeys for both corporates and individuals."

Thirty percent of respondents in the survey are actively dissatisfied with the skills training in the sector, which Alvanon owed to fashion industry professionals being primarily concerned with the perceived shortage of technical skills alongside a notable lack of investment toward alleviating those concerns.

"As the apparel industry begins to recognize and implement digitalization as a way of delivering on speed, customization and transparency, it is revealing gaps in the specialized skills set of its workforce," Wang said.

One of the ways employers can fill those gaps is to invest in long-term career training. As Alvanon explained, citing the 2018 LinkedIn Learning Workplace Learning Report, 94 percent of employees surveyed said they would continue working for a company if it "invested in their career development." That number is likely to play a larger role as millennials make up a larger portion of the workforce. While just 22 percent of respondents were millennials, Alvanon said the group will make up 75 percent of the workforce as soon as 2025.

Although everyone seems to agree more investment is required in training the workforce, challenges with time and budget constraints have yet to be solved. Employees, specifically, stated a lack of management support and training opportunities as the primary barrier to proper skill acquisition.

What's more, just 16 percent of the managers surveyed said their companies have comprehensively assessed the skills of their current workforce. Without that information, organizations have been left in the dark regarding their own capabilities. It's no wonder that fewer than 30 percent of the respondents had seen a budget increase in the last two years while more than two-thirds agreed the investment in necessary.

The leadership that will see these investments through, it seems, is starting to catch on to the demands before them. According to the 2017 edition of Deloitte's Human Capital Trends, 83 percent of executives cite "reinventing careers and learning" as the most critical business issue—trailing only digitization.

Source: sourcingjournal.com- Oct 08, 2018

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US trade deficit widens

The US trade deficit ballooned in August to its highest level in six months. Trade deficit so far this year has risen 8.6 per cent over the same period in 2017.

Businesses rushed to import goods before tariffs hit on China in late August and September, including importing products needed in stores for the holiday shopping season, driving up the trade gap.

Exports of tariff-targeted goods fell while American consumers snapped up imported cars and mobile phones.

Retaliatory tariffs imposed by China have continued to whipsaw American farmers. Ironically Republicans who are in power traditionally count on farmers for political support.

The unexpectedly poor trade numbers could slow economic growth in the third quarter. Even adjusting for price changes, it looks like the trade deficit widened significantly in the third quarter, greatly slowing growth.

The gap in goods trade with China rose to $38.6 billion for August and with Mexico hit $8.7 billion both the highest monthly totals ever. At $31.1 billion, imports from Mexico also were the highest ever.

Source: fashionatingworld.com- Oct 08, 2018

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China working on FTAs to boost trade

China has free trade agreement negotiations with 27 countries. These include: the Regional Comprehensive Economic Partnership, the China-Japan-Korea FTA, the China-Norway FTA, the China-Sri Lanka FTA, the China-Israel FTA, the China-Singapore FTA upgrade, and the China-New Zealand FTA upgrade.

China hopes to build a high-standard free trade area network in line with its own development level, and work with free trade partners to enhance the level of liberalization and facilitation of goods, services and investment, jointly cultivating global markets and further promoting the construction of an open world economy, and make contributions for the stable and healthy development of a global economy.

China has stepped up efforts to build a global trade network with greater use of FTAs to diversify its markets and counter protectionism. So far China has 17 FTAs with 25 countries and regions, and is in talks over 12 new or upgraded FTA deals.

Such efforts have become more evident in the past two years, especially after the US began imposing punitive tariffs on Chinese goods to push the world's second largest economy to lower its market barriers. To further accelerate an FTA, China may exercise greater flexibility and creativity than before on the major issues, such as goods, services and investment.

Source: fashionatingworld.com- Oct 08, 2018

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Sri Lanka July exports up 5.7-pct, tea, garments down

Sri lanka's earnings from merchandise exports surpassed a billion US dollars for the second consecutive month in July 2018, rising 5.7 per cent to 1,073 million US dollars from a year ago, the central bank said.

Expenditure on merchandise imports increased by 10.3 per cent to 1,754 million US dollars in July 2018 over the same period, a statement said.

The trade gap in July 2018 rose to 681 million dollars from 576 million dollars the previous year owing to higher imports.

"On a cumulative basis, the deficit in the trade account widened considerably during the first seven months of 2018in comparison to the corresponding period of 2017," the central bank said.

The trade balance in the January – July 2018 period rose to 6.4 billion dollars from 5.3 billion dollars the year before.

Earnings from industrial exports contributed to increased export earnings while agricultural and mineral exports recorded poor performance during the month, the statement said.

"Under industrial exports, earnings from export of petroleum products increased significantly due to higher export prices of bunker and aviation fuel despite reduction in volumes."

However, export earnings from textiles and garments declined marginally in July 2018.

This was due to the decline in demand from the USA and non-traditional markets such as Canada, UAE and Australia and the base effect which reflected significantly high export earnings in July 2017. Earnings from agricultural exports reduced due to poor performance in almost all categories except vegetables and minor agricultural exports.

"While export earnings from tea declined due to the drop in both prices and volumes exported, earnings from coconut declined owing to the reduction in all kernel categories as a result of lower export volumes despite higher prices reported for these products," the central bank said.

Import spending rose because of the increased expenditure in all major import categories, as well as the effect of the low base in 2017.

Spending on fuel imports increased significantly during the month owing to higher import prices of crude oil and refined petroleum products.

Expenditure on textiles and textile articles imports increased in July 2018 due to higher expenses on yarn and fabric imports.

"Consumer goods imports increased mainly due to higher imports of personal motor vehicles, particularly cars with less than 1,000 cylinder capacity, hybrid and electric motor cars," the statement said.

To curb imports of small vehicles, taxes applicable on these categories were revised upward with effect from 01st August 2018 and a 100 per cent margin deposit requirement against letters of credit on non-commercial vehicle imports was imposed with effect from 19th September 2018.

Expenditure on food and beverages declined in July 2018 as a result of lower rice imports owing to the healthy harvest obtained during the Maha season.

Source: economynext.com- Oct 08, 2018

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Bangladesh's apparel export to the EU sees a rise

The EU's apparel imports from Bangladesh in value term grew 3.92 per cent during the last January-July period. But in volume terms the EU's apparel imports from Bangladesh rose by 15.75 per cent.

Around 64.12 per cent of Bangladesh's total clothing exports were headed for the EU in the last fiscal year. Orders are shifting from China to other markets, including Bangladesh and Vietnam, which offer comparatively low prices.

The unit price for apparel is gradually declining despite Bangladesh's moving toward mid- and high value-added items.

Market pressure is driving the shrinking trend of apparel prices.

The euro's depreciation also has had a negative impact on the European Union's imports.

China and Vietnam have diversified their product baskets, including medium and high value-added items. The EU's overall apparel imports from across the globe during the period increased by 5.58 per cent. In terms of value, it witnessed a meagre 0.06 per cent growth.

China's apparel exports both in value and volume to the EU fell by 6.76 per cent and 5.03 per cent respectively. Vietnam's exports to the EU grew by 2.42 per cent and 19.26 per cent in terms of value and volume respectively.

Bangladesh targets a 6.33 per cent rise in readymade garment exports for fiscal 2018-19.

Source: fashionatingworld.com- Oct 08, 2018

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Tajikistan to develop textile and clothing production

Textile and clothing production in Tajikistan for the eight months of this year increased by almost 30 percent, Avesta reported.

Ministry of Energy and Industry of the country states that the amount of production of textile and clothing products during this period made more than 844.5 million somoni (more than $ 89.6 million).

In the textile and clothing industry, the industrial production index increased by 29.1 percent due to an increase in the output of cotton fiber, fabric, carpets and carpet products, and hosiery.

As statistics agency of the country reports, for the specified period, the textile exports amounted to more than $ 149.6 million, which is $ 71.6 million, or 92 percent more than the same period last year. Of the total exports, over $ 106.9 million is accounted for exports of cotton fiber.

In light industry, an increase in food production is also observed - by 2.3 percent due to an increase in the production of flour, meat, sausages, canned goods, and so on.

During this period, food production amounted to more than 2.7 billion somoni ($ 287 million).

This sector of the economy has a long tradition, the origins of which date back to the heyday of the Great Silk Road.

In the middle of the last century, a complete production cycle was organized, including the production of raw materials, spinning, fabric manufacturing, and the manufacture of garments and carpets.

The main products are fabrics and garments made from them, denim pants, shorts, textiles, carpet and leather products. The country has a full value chain, starting with the production of raw materials to the production of finished products.

The sector has modern enterprises for sewing clothes, shoes. The government considers this sector a priority industry. It is planned to increase the export potential on the basis of the modernization of production, stimulating the creation of new enterprises.

Tajikistan is also successfully implementing the International Trade Center (ITC) program, aimed at supporting the development of the textile and clothing industry and improving the quality management infrastructure.

Source: azernews.az- Oct 08, 2018

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Pakistan: Making the most of China-US trade tiff

The ongoing trade war between China and the United States can boost the prospects of Pakistani exports to the American market and encourage Chinese producers to relocate to Pakistan to avoid punitive tariffs on their US shipments and take advantage of cheaper labour.

On top of that, business leaders say it may afford Islamabad an opportunity to renegotiate the terms of China's future investments in and trade with Pakistan.

Abdul Razzak Dawood, adviser to the prime minister on trade, industry and investment, was quoted last week to have told a gathering of textile manufacturers in Karachi that the trade war between the world's two largest economies could be beneficial for Pakistan.

"The trade war between China and the United States is getting bigger and bigger by the day… and the demand for goods is not declining (in the US market). Pakistan needs to explore ways so that it can benefit from this war."

Pakistan is already seeking the same market access for its exports that Beijing has given to the Association of South East Asian Nations (Asean), New Zealand and Australia under the 2006 Free Trade Agreement (FTA) that is responsible for heavily tilting the trade balance in favour of China.

Islamabad has also asked China to share complete information of its exports, both under and outside the FTA, with Islamabad in order to help it eliminate under-invoicing by Pakistani importers.

Moreover, efforts are on to convince Beijing to encourage its manufacturers to relocate their industry to Pakistan.

The adviser had also told a Senate panel on industries and production that China-US tensions over trade tariffs was a good sign for Pakistan as it would place the country in a better negotiating position (with China).

"The China-US trade war has put Pakistan in an advantageous position and we have become more competitive than China in some areas like textiles.

It offers an opportunity for Pakistan to boost its exports to the United States as well as revive the closed manufacturing capacity (mostly in Punjab)," Pakistan Business Council CEO Ehsan Malik told this correspondent.

He says Chinese manufacturers can also ward off punitive tariffs on their exports to the United States by relocating their labour-intensive industries to Pakistan.

"They (Chinese companies) can bring semi-finished goods and convert them into value-added goods for export to the United States. Then there are products that are made in China but not in Pakistan. Such industries can also be relocated to Pakistan to avert higher US tariffs on Chinese exports."

A Lahore-based textile exporter, who requested anonymity, was not too optimistic. "In theory, we can take advantage of the American action against China. But we are not ready to benefit from it. We do not have enough capacity to fill the gap. Nor do we have developed our value-added textiles to replace China in the US market. I think countries like India and Bangladesh will have captured the US market by the time we are ready to even start thinking about benefitting from this opportunity."

By far, China has shown a rather favourable view of most of Islamabad's demands. It has expressed willingness to take steps to boost its imports from Pakistan in view of the geopolitical advantages it will draw from the completion of the China-Pakistan Economic Corridor (CPEC), a part of the Belt and Road Initiative around which it has pledged to invest more than $60 billion in energy and transport infrastructure.

"The immediate benefit Pakistan can expect from China because of its worsening trade relations with the United States is improvement in trade terms and extension in the repayment period of loans taken for power projects under the CPEC initiative," the anonymous textile exporter contended.

"It can be followed up with softer terms for future CPEC investments, relocation of Chinese textiles industry to Pakistan and transfer of technology and skills. My advice for the government will be to focus on these items."

Source: dawn.com- Oct 08, 2018

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Pakistan: Experts stress efforts to boost world trade

The officers of the Pakistan Service Academy attended a meeting at Sialkot Chamber of Commerce and Industry (SCCI). They said that the world should focus on broadening the scope of mutual cooperation by extending it to the areas of trade, investment, and energy and infrastructure development with Pakistan.

They said that the Sialkot exporters have set the unique examples of self-help, advising the others to replicate these examples as well.

On this occasion, acting SCCI President Waqas Akram Awan gave a detailed briefing about the achievements, targets, future goals of the Sialkot exporters and Sialkot's socio-economic and human development on self-help basis by Sialkot exporters.

He stressed the need of making all out sincere efforts for developing the business-to-business contacts between Pakistan and other countries the world for establishing strong trade relations. He appreciated the role of Foreign Service Academy in training officers, building their capacity and capability.

The fact that business survives and flourishes under an enabling environment for which, stable law and order is a basic requirement and its importance cannot be denied, he stated.

He said that there was a huge scope for establishing joint ventures and business cooperation between their respective countries and Sialkot-Pakistan based companies especially in the field of Sports Goods, Surgical Instruments, Leather Products and Information Technology.

He added that there was an urgent need to strengthen linkages between private sectors of world's other countries with Sialkot-Pakistan for enhancing bilateral trade.

SCCI Acting President Waqas Akram Awan presided over the meeting. Shehbaz M Malik (Director Programme) Pakistan Foreign Service Academy and SCCI Vice President Aamir Hameed Bhatti were also present.

Akram Awan narrated that Sialkot is Pakistan's export capital and an SME industrial city, which represents an economy and a breed of entrepreneurs quite different from that nurtured in Pakistan over the years.

He said that the Sialkot has a high degree of exposure to the international economy with entrepreneurs visiting worldwide market, participating in numerous trade fairs abroad and hosting visits of foreign buyers. Even the smallest of exporter is likely to boast of extensive travel history for maintaining contact with the outside world.

This exposure to the international environment has led to the realization that firms have to become more professional in order to compete favorably in the international market, he added.

Sialkot represents an industrial setup producing specialized products that are supplied to top brands and buyers all over the world.

"We produce sports goods, surgical instruments, leather products, and gloves of all sorts, textiles items, sports wear, martial arts uniforms & accessories, musical instruments, kitchen ware & table ware, hollow ware, hunting knives, table cutlery/flatware, and military uniform badges.

The city is earning US $ 2 billion annually to play instrumental role in strengthening economy," he added.

The Pakistan Foreign Service Officers also showed keen interest in a documentary on "Sialkot...a city of the progressive people" shown them during the meeting by SCCI management.

Later, the delegation of the officers of the Pakistan Foreign Service Academy led by Shehbaz M. Malik (Director Programme) also witnessed the production and manufacturing processes of the sports goods and surgical instruments. They also witnessed the international standard craftsmanship of Sialkot based artisans.

They said that there was no doubt to say that the Sialkot exporters have the great potential to explore and capture the world trade markets by exporting their world quality export products, saying that the Sialkot exporters were much dedicated and enthusiastic.

According to the Abdul Shakur Mirza (Public Relations Manager of Sialkot international airport), the officials of Sialkot international airport, Airport Security Force (ASF), Rescue 1122 Sialkot , health department, Sialkot Bomb Disposal Squad , fire brigade , local police, traffic police ,Edhi Foundation and airlines' staff participated in this emergency exercise. They also checked their preparedness regarding the fire eruption in the planes and any bomb hoax there as well.

Source: nation.com.pk- Oct 08, 2018

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Pakistan: Brexit and GSP+future

Britain's exit (Brexit) from European Union is about to shake the influence of the former empire on its erstwhile colonies while also denting Pakistan's position in Europe as most of the supporters of Pakistan in EU parliament hail from the United Kingdom.

The phenomenon is also likely to jeopardise the precious Generalised Scheme of Preferences Plus (GSP+) status, which makes Pakistan earn billions of euros per annum through light duty exports to European states and also makes EU the biggest business market for the country.

This economic relief was provided to Pakistan in exchange for improving human rights and democracy situation. However, a number of EU countries and officials had raised concerns over Pakistan authorities' poor implementation on core conventions under the scheme.

Former European Economic and Social Committee president Henri Malosse had recently criticised Pakistan authorities over degrading rights situation in the country and their failure to fulfil GSP+ obligations.

Malosse wrote in an opinion piece that granting of GSP+ was conditional on the ratification, compliance and "effective implementation" of 27 core conventions covering areas of human rights, labour rights, religious freedoms and gender equality.

He further stated that since its entry into force in 2012, concerns about Pakistan's compliance with the core conventions had been raised by EU member states and civil society.

A number of textile producing EU states such as Portugal have also been reported showing reservations on granting any non-EU country special benefits in terms of Customs duties because that was challenging their textile production and sales.

Government of former UK prime minister David Cameron progressively advocated for granting Pakistan GSP+ status and Members of European Parliament (MEP) from Britain mainly those known as 'Friends of Pakistan' played a vital role in convincing EU that the country was doing well in terms of both economic and human development.

The statistics reveal that around three-quarters of all EU imports from GSP+ programme hail from Pakistan, making South Asian country the biggest beneficiary of the scheme. Almost 82 percent EU purchases are textiles and clothing products, which serve as the back bone of Pakistan's textile industry.

British MEP from Green Party and Chair of Delegation for Relations with Countries of South Asia Jean Lambert told Daily Times that Brexit phenomenon had already started to detriment UK's ties with other countries.

"I think Brexit is already straining the UK's relationship with some South Asian countries. Why? There are many Brexit supporters who seem to think we can turn back the clock to 1972, before the UK joined the EU: that is obviously not the case as the world is a very different place and the balance of power is not the same.

The British approach regarding future trade deals has made assumptions based on the Commonwealth relationship which, of course, carries distinct colonial tones. I understand this has not gone down well in some capitals," Lambert explained.

She further added that a number of South Asian countries have their own trading relationships with the EU, which offers a larger market than the UK alone. While it is true that the UK may currently be the largest market (for textiles, for example), the hope is that there will be a significant move in to the rest of the EU.

She added that she was aware that there was some concern as to which countries might ‘champion’ countries of South Asia in the EU in future. “The UK’s history does mean that Britain has a closer understanding of, and relationship with, many of these countries.”

MEP Jean Lambert also mentioned that UK was trying to do what they could to assure that country’s decision to exit EU should not hurt the countries, which enjoyed closer ties with Britain.

“So, ambassadors are working hard to find new contacts and friends within the EU, with some success. Many of us from the UK are doing what we can to help with that as we don’t see why the UK’s misjudgement should penalise the future of countries with which we have such strong relationships,” MEP Lambert concluded.

Another MEP of Britain’s Conservative Party, Baroness Nosheena Mobarik, told Daily Times that ‘Friends of Pakistan’ were doing whatever they could to support the case of Pakistan in EU.

“I recently took a delegation to Pakistan from the ECR Group at the European Parliament for these very reasons. It is important to have a support base for Pakistan once the UK leaves the EU,” Mobarik explicated.

She said that although the MEPs from Britain played a vital role in relaying the voice of Pakistan across EU, the country also enjoyed amicable support of MEPs from other EU nations.

She said that Pakistan has strong trade and cultural relations with Britain yet the Pakistani diplomats in EU were already preparing to adapt the post-Brexit EU just like other countries while situation would be more clear with arrival of new MEPs after EU elections during the next year.

Syeda also said that Pakistan was aware of upcoming challenges and the embassy was progressively busy in new engagements as well as extensive back channel diplomatic work, all of which could not be revealed to the press due to the sensitivity of the matter.

Source: dailytimes.com.pk- Oct 08, 2018

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NATIONAL NEWS

IMF projects India's growth at 7.3 per cent in 2018 & at 7.4 per cent in 2019

The International Monetary Fund (IMF) on Tuesday forecasted a growth rate of 7.3 per cent for India in the current year of 2018 and that of 7.4 per cent in 2019. In 2017, India had clocked a 6.7 per cent growth rate.

"India's growth is expected to increase to 7.3 per cent in 2018 and to 7.4 per cent in 2019 (slightly lower than in the April 2018 World Economic Outlook [WEO] for 2019, given the recent increase in oil prices and the tightening of global financial conditions), up from 6.7 per cent in 2017," the IMF said in its latest World Economic Outlook report.

This acceleration, the world body said, reflected a rebound from transitory shocks (the currency exchange initiative and implementation of the national Goods and Services Tax), with strengthening investment and robust private consumption.

India's medium-term growth prospects remain strong at 7¾ per cent, benefiting from ongoing structural reform, but have been marked down by just under ½ percentage point relative to the April 2018 WEO, it said.

If projections are true, then India would regain the tag of fastest growing major economies of the world, crossing China with more than 0.7 percentage point in 2018 and an impressive 1.2 percentage point growth lead in 2019.

China was the fastest growing economy in 2017 as it was ahead of India by 0.2 percentage points.

For the record, the IMF has lowered the growth projections for both India and China by 0.4 per cent and 0.32 per cent, respectively, from its annual April's World Economic Outlook.

Released in Bali during the annual meeting of the IMF and the World Bank, the IMF's flagship World Economic Outlook said its 2019 growth projection for China is lower than in April, given the latest round of US tariffs on Chinese imports, as are its projections for India.

In China, growth is projected to moderate from 6.9 per cent in 2017 to 6.6 per cent in 2018 and 6.2 per cent in 2019, reflecting a slowing external demand growth and necessary financial regulatory tightening, the report said.

The 0.2 percentage point downgrade to the 2019 growth forecast is attributable to the negative effect of recent tariff actions, assumed to be partially offset by policy stimulus, it said. Over the medium term, growth is expected to gradually slow to 5.6 per cent as the economy continues to make the transition to a more sustainable growth path with continued financial de-risking and environmental controls, it noted.

"Owing to these changes, our international growth projections for both this year and next are downgraded to 3.7 per cent, 0.2 percentage point below our last assessments and the same rate achieved in 2017," the report said. The growth rate of United States for 2018 is 2.9 per cent and that of 2019 has been powered to 2.5 per cent.

In India, the report said, important reforms have been implemented in the recent years, including the Goods and Services Tax, the inflation-targeting framework, the Insolvency and Bankruptcy Code, and steps to liberalise foreign investment and make it easier to do business. "Looking ahead, renewed impetus to reform labour and land markets, along with further improvements to the business climate, are also crucial," it said.

According to the World Economic Outlook, in India, reform priorities include reviving bank credit and enhancing the efficiency of credit provision by accelerating the cleanup of bank and corporate balance sheets and improving the governance of public sector banks. In India, a high interest burden and risks from rising yields require continued focus on debt reduction to establish policy credibility and build buffers.

"These efforts should be supported by further reductions in subsidies and enhanced compliance with the Goods and Services Tax," the IMF report said. It also said inflation in India is on the rise, estimated at 3.6 per cent in fiscal year 2017/18 and projected at 4.7 per cent in fiscal year 2018/19, compared with 4.5 per cent in fiscal year 2016/17, amid accelerating demand and rising fuel prices.

The report said that aggregate growth in the emerging market and developing economy group stabilised in the first half of 2018.

Emerging Asia continued to register strong growth, supported by a domestic demand-led pickup in the Indian economy from a four-year-low pace of expansion in 2017, even as activity in China moderated in the second quarter in response to regulatory tightening of the property sector and nonbank financial intermediation, it said.

Source: financialexpress.com- Oct 09, 2018

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India may see strong growth in cotton yarn exports in FY19: ICRA

The surge in export demand for cotton yarn over the past few months has come as a major respite for the domestic spinners, who had reported a multi-year low profitability during FY2018 amid multiple headwinds.

Even though the pace of growth is likely to moderate during the year with the base effect setting in, India is set to record strong growth in cotton yarn exports during FY2019, according to an ICRA report released on Monday.

Commenting on the emerging trends, Mr. Jayanta Roy, Senior Vice-President and Group Head, Corporate Sector Ratings, ICRA, says, “Even though trends in domestic consumption of cotton yarn remain unencouraging, strong revival in export demand augurs well for profitability of domestic spinners as it has enabled them to pass on the increase in raw material costs, unlike last year.

This together with access to low-cost cotton from the previous harvest season has helped the domestic spinners maintain the improvement trajectory in profitability in H1 FY2019.”

The revival in export demand has enabled ICRA’s sample of large spinning companies report a comfortable volumetric growth of 5% Y-o-Y in Q1 FY2019, which together with a 7% Y-o-Y increase in average yarn realisations to Rs. 211/kg has translated into a growth of ~12% in sales turnover during the quarter.

The growth rate appears comfortable, when viewed in comparison to a growth of 5-6% reported by the sample during FY2017 and FY2018 amid multiple demand-side pressures. The aggregate operating margins also improved to 12.2% in Q1 FY2019 vis-a-vis 11.6% in Q4 FY2018, after having remained subdued at 9-11% during the preceding four quarters. As a result, the aggregate interest cover improved to 3.8x in Q1 FY2019 from 3.1x in Q1 FY2018, despite an increase in interest outgo due to an increase in the ..

While the strong Y-o-Y growth of 56% in cotton yarn exports during four months of FY2019 driven by a more than two-fold increase in exports to China, is partly attributable to the low base effect, as exports were down by 56% Y-o-Y in four months FY2018, it has also been driven by competitive Indian cotton and yarn prices.

Indian cotton prices increased at a relatively slower pace vis-a-vis the international prices during the seven-month period ended May 2018, reporting a 6% increase in US dollar terms vis-a-vis a 20% increase in the international cotton prices during the same period. As a result, the spread between domestic and international cotton prices, which typically averages at 5%, increased to 12% in the quarter-ended March 2018 before peaking at 16% in the quarter-ended June 2018.

This, together with rupee depreciation, made Indian cotton as well as cotton yarn considerably competitive in the global markets during the months of March, April and May 2018, shoring up demand for the Indian cotton and cotton yarn.

With increased demand, the Indian cotton prices increased by ~9% in the month of June 2018 and stayed firm thereafter, before correcting marginally in September 2018 with the onset of the harvest season. As a result, the spread between the domestic and international cotton prices narrowed significantly and is estimated at ~8% for the quarter-ended September 2018.

"Notwithstanding the healthy demand prospects in the export markets in the near term, considering the still higher-than-usual spread levels, the spike in growth rate of exports witnessed is likely to moderate during H2 FY2019 with the arbitrage opportunity as well as the base effect fading out," Mr. Roy added.

Other factors apart, competitive pressures from Vietnam and China's focus on improving cotton availability situation, are also expected to moderate the export demand for India's cotton yarn going forward.

Nevertheless, given the strong growth reported during four months of FY2019, cotton yarn exports for the full year are expected to report a healthy growth in FY2019.

Source: economictimes.com- Oct 08, 2018

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India-Uzbekistan expert group to explore trade agreement

India and Uzbekistan recently agreed to establish an expert group to jointly undertake a feasibility study for a trade agreement to boost economic ties and commence negotiations for a preferential trade agreement by 2018 end, according to a joint statement issued by the two nations in New Delhi during a visit by Uzbek president Shavkat Mirziyoyev.

Mirziyoyev met Indian Prime Minister Narendra Modi in New Delhi during his two-day visit, according to a news agency report.

The two leaders also emphasised on the need to enhance efforts to achieve the target of bilateral trade worth $1 billion by 2020.

The bilateral trade between the countries was $235 million in 2017-18 and $155.5 million in 2016-17.

Source: fibre2fashion.com- Oct 08, 2018

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Cotton output may fall 4.7% due to scant rainfall, pink bollworms: CAI

Indian farmers have adopted genetically-modified seeds known as Bt cotton that are resistant to bollworms

Cotton production in 2018-19 is likely to fall 4.7 per cent from the previous season to 34.8 million bales, as scant rainfall and an attack of pink bollworms are expected to squeeze crop yields, the head of a leading trade body told Reuters.

COTTON CHART

In million bales (1 bale = 170 kg)

Year	Production	Export
2013-14	39.8	11.7
2014-15	38.6	5.8
2015-16	33.8	6.9
2016-17*	33.7	5.8
2017-18*	36.5	7.0

*Estimated, Compiled by BS Research Bureau
Sources: Cotton Association of India, Cotton Corp. Of India

The drop in output could limit exports from the world's biggest producer of the fibre amid rising demand from top consumer China and in turn support global prices, which are hovering near their lowest level in more than nine months hit last week.

"In Gujarat, we are expecting a big drop in production due to dry weather," said Atul Ganatra, president of the Cotton Association of India (CAI).

Gujarat, the country's top cotton producing state, received 28 per cent lower rainfall than normal in the June-September monsoon season, according to the India Metrological Department.

The western state's fibre output is estimated to drop 14.3 per cent from a year earlier to 9 million bales in the new marketing season that started on October 1, he said.

In Maharashtra, the country's second-biggest cotton producer, output is expected to ease to 8.1 million bales from 8.3 million bales due to an attack of the pink bollworm pest, Ganatra said.

Indian farmers have adopted genetically-modified seeds known as Bt cotton that are resistant to bollworms, but it has not stopped the infestations.

Pink bollworms consume the fibre and seeds inside a cotton plant's boll, or fruit, and yields fall.

Gujarat and Maharashtra account for more than half of the country's total cotton production.

"Due to less production exports are likely to reduce and import is likely to increase," he said.

Pakistan, China, Bangladesh and Vietnam are key buyers of Indian cotton.

In 2017-18, India exported 6.9 million bales of cotton.

Demand for Indian cotton is robust this year from China as a trade war is prompting the world's top consumer to avoid imports from the United States.

Source: business-standard.com- Oct 09, 2018

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India exported handcrafted goods worth Rs 1.36 lakh cr in past 4 years: Irani

The country exported handcrafted goods worth Rs 1.36 lakh crore in the past four years, Union Minister Smriti Irani said Monday.

Addressing a Handloom Business Meet here, the textiles minister spoke about the significance of attaching the tourism industry to the rich crafts heritage through concepts like home-stays to propagate the legacy through youngsters.

She said such a move could also generate additional income for weavers.

"Most of our studies show that in a weaving community, it is the youngsters who are leaving because they see no expansive opportunities," she said.

She urged social networking giant Facebook to get involved in the endeavour.

"If Facebook cab help highlight in each artisan community that you have trained, this aspect, and connect them to the travel and tours, adventurists, I think that will also work," Irani said while participating in a panel discussion in the presence of Ankhi Das, Public Policy Director, Central and South Asia, Facebook.

"In our country in the past four years we have exported handcrafted goods worth to the tune of Rs 1.36 lakh crore, she informed, highlighting the sector's potential.

Source: business-standard.com- Oct 08, 2018

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India and US bilateral trade rises 119% since 2007 at $126.2 billion

In the imports bracket, India was the United States' 11th largest supplier of goods in 2017

Bilateral trade of goods and services between India and the US has gone up by 119 per cent since 2007, touching $126.2 billion, according to the data collated by the office of the United States Trade Representative (USTR).

According to the data, exports were valued at $49.4 billion and imports were worth $76.7 billion. The US goods and services trade deficit with India was $27.3 billion in 2017.

The data comes at a time when the two nations are locked in a trade war.

“India is our ninth largest goods trading partner with $74.3 billion in total (two-way) goods trade during 2017. Goods exports totaled $25.7 billion and goods imports totaled at $48.6 billion. The US goods trade deficit with India was $22.9 billion in 2017,” said USTR on its website.

While India was the United States' 15th largest goods export market in 2017, the latter exported $25.7 billion of goods to India, up by 18.7 per cent ($4.1 billion) from 2016 and up 71.6 per cent from 2007.

US exports to India accounted for 1.7 per cent of overall US exports in 2017. The top export categories in 2017 were precious metals and stone (diamonds) at $7 billion, mineral fuels ($2.8 billion), aircraft ($2.2 billion), machinery ($2.1 billion), and optical and medical instruments ($1.4 billion).

US exports of services to India were estimated at $23.7 billion in 2017, 15.2 per cent ($3.1 billion) more than 2016, and 174 per cent higher than 2007 levels. Leading services exports from the US to India were in the travel, intellectual property (computer software, audio and visual related products), and transport sectors.

In the imports bracket, India was the United States' 11th largest supplier of goods in 2017.

US goods imports from India totaled $48.6 billion in 2017, which surged by 101.9 per cent from 2007. The imports from India account for 2.1 per cent of overall US imports in 2017.

The top import categories during the last calendar year were precious metal and stone (diamonds) ($10 billion), pharmaceuticals ($6.1 billion), mineral fuels ($2.7 billion), machinery ($2.5 billion), and miscellaneous textile articles ($2.5 billion).

The US also imported $2.6 billion of agricultural products from India during the period under review. In the services category, $28.1 billion were imported from India. The imports of services were about nine per cent more than 2016, and a whopping 183 per cent greater than 2007 levels.

“Leading services imports from India to the US were in the telecommunications, computer, and information services, research and development, and travel sectors,” USTR said in its report.

Source: business-standard.com- Oct 08, 2018

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Strong exports revival brings relief to cotton spinners

The surge in export demand for cotton yarn over the past few months has come as a major respite for the domestic spinners, who had reported a multi-year low profitability during FY18 amid multiple headwinds.

Even though the pace of growth is likely to moderate during the year with the base effect setting in, India is set to record strong growth in cotton yarn exports during FY19.

The revival in export demand has enabled large spinning companies report a comfortable volumetric growth of 5% year-on-year in the first quarter of FY19, which together with a 7% year-on-year increase in average yarn realisations to Rs 211/kg has translated into a growth of 12% in sales turnover during the quarter, said an Icra analysis on Monday.

The growth rate appears comfortable, when viewed in comparison to a growth of 5-6% reported by the sample during FY17 and FY18 amid multiple demand-side pressures.

The aggregate operating margins also improved to 12.2% in first quarter of FY19 vis-a-vis 11.6% in fourth quarter of FY18, after having remained subdued at 9-11% during the preceding four quarters.

While the strong growth of 56% in cotton yarn exports during 4M FY19 driven by a more than two-fold increase in exports to China, is partly attributable to the low base effect, as exports were down by 56% year-on-year in 4M FY18, it has also been driven by competitive Indian cotton and yarn prices.

Source: financialexpress.com- Oct 09, 2018

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Fiscal sops for SEZs must be linked to investments, jobs: panel

A major over-haul of the existing Special Economic Zones (SEZs) policy by delinking fiscal incentives from exports and linking them to investments made and employment generated has been proposed by the review committee constituted earlier this year by the Centre.

"The proposal on linking incentives to investments and employment is in line with the overall vision of the group to change the objective of such zones from creation of islands of exports to becoming catalysts of economic and employment growth," an official told BusinessLine.

The committee, headed by Bharat Forge's Baba Kalyani, has proposed reincarnation of SEZs in India as 'Employment and Economic Enclaves (3Es)'.

The main focus of the recommendations of the SEZ committee is on migration from export focus to economic and employment growth focus, as per the report. For this to be achieved, incentives for the manufacturing SEZs have be based on specific parameters including demand, investment, employment and technology.

At present, SEZ units get 100 per cent income tax exemption on export income for first 5 years, 50 per cent for next five years and thereafter 50 per cent of the ploughed back export profit for next 5 years. However, the exemption comes with a sunset clause to be effective from April 1 2020.

SEZ developers, on the other hand, get income tax exemption for a block of 10 years in a period of 15. The sunset clause for developers is already effective from last year. SEZs are, however, subjected to a Minimum Alternate Tax of 18.5 per cent and a Dividend Distribution Tax.

The panel has also suggested that flexibility should be considered to enable 3E units to seamlessly support businesses outside the zones. "Depending on business requirements (and subject to specific safeguards) reversal of duty or tax benefit on inputs used for manufacture can be considered...," the report says.

Other key recommendations include development of last mile and first mile connectivity infrastructure by government for land parcels which are far from highways and urban agglomerations, supplying power directly to units from IPPs at competitive rates, fast-tracking various approvals through online application process, integrating MSMEs with the 3Es and giving additional incentives to zones focusing on priority industries.

For services SEZs, the committee has recommended retaining tax benefits including extension of sunset clause, lowering taxes (such as a MAT of 9 per cent and exemption from DDT) for identified strategic services and allowing supplies to domestic market in Indian currency to bring parity between goods and services.

The SEZ policy review committee had its final round of consultations with the committee members under the chairmanship of the Commerce Secretary late last week.

The objective of the committee was to suggest measures to make the SEZ policy WTO-compatible, encourage manufacturing and the services sector and lead to maximising utilisation of vacant land in SEZs. The Centre will now examine the recommendations and come up with a revised policy for SEZ units and developers.

There are a total of 223 operational SEZs in India as of July 2018 with 5,146 approved units. Total investments of ₹4,74,917.37 crore has flown into the SEZs so far creating jobs for 19,77,216 persons.

Apart from various industrialists, Principal Secretaries of Gujarat, Maharashtra, Telangana, Andhra Pradesh, Tamil Nadu and Karnataka, and the Additional Secretary and Director in charge of SEZ in the Department of Commerce are also members of the group.

Source: thehindubusinessline.com- Oct 09, 2018

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Bihar to supply khadi items worth Rs 95 lakh to Kerala

The Bihar Rajya Khadi Gramodyog Board (BRKGB) has signed MoUs worth Rs95 lakh to supply its products to textile traders and different institutions in Kerala, BRKGB's CEO B N Prasad said on Sunday.

The MoUs where signed during the three-day buyer-seller meet at Kochi in Kerala, which concluded on Sunday.

A delegation of 20 khadi institutions of the state led by BRKGB had set up 22 stalls at Kochi to promote Bihar's khadi products in Kerala.

"We signed MoUs worth Rs95 lakhs and sold khadi items worth Rs14 lakh, Prasad said.

The event was organized in association with the Kerala Chamber of Commerce and Industry (KCCI). Cotton fabric, silk saris, dress material, ready-made garments, bedsheets, honey and Madhubani painting from Bihar were on offer in the meet.

Members of Bihar's khadi institutions said 60 textile traders from Kerala participated in the event and signed MoUs.

Asked about the products in huge demand, Prasad said, "Bhagalpur silk and cotton fabrics were in huge demand."

Apart from khadi fabrics, the board also showcased products like soaps and honey from Bihar. "These products received good response in Kerala. But traders raised certain issues regarding the packaging of soaps.

We have decided to make it in a better way," Prasad said and added: "There is a huge demand for Bihar khadi products in southern states. So, we want to establish market linkages with textile businessmen in the region to promote our state's khadi products."

Source: timesofindia.com- Oct 08, 2018

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Better understanding of Indian textiles on a global level today: Anita Dongre

Designer Anita Dongre, who has moved one step closer to her dream of empowering the women of India by opening the fourth tailoring unit in the village of Modgaon in Maharashtra, says there has been a sense of urgency within the industry to save the country's dying crafts. She feels there is a better understanding of Indian textiles and slow fashion on a global level today.

"There has been a sense of urgency within the industry to save India's dying crafts. It's great to see not just the industry but also the government taking steps towards reviving handloom and making it relevant to the current generation," Dongre told IANS in an email when asked about her take on how the scene of handloom has changed over the years.

"Handloom is finally getting its long due recognition but I still think we have a long way to go and a lot more to do," she added.

The tailoring center located at village Modgaon, Dahanu Taluka, Palghar District, Maharashtra, is established under the aegis of Anita Dongre Foundation as part of its women empowerment initiative in collaboration with Tribal Development Department – Government of Maharashtra, Modgaon Gram Panchayat and Palghar District Collector Office.

The House of Anita Dongre Ltd. deploys its Corporate Social Responsibility (CSR) projects through its non-profit arm Anita Dongre Foundation (Section 25 Company) in multi-stakeholder partnership and collaborative mode in order to improve the quality of life of its stakeholders – including inter alia communities.

The foundation plans to have 50 such communities tailoring centers across the country in the next three years and is exploring opportunities to collaborate with like-minded and credible organisations.

So where do you see handlooms and textiles moving from here on globally?

"There is a better understanding of Indian textiles, crafts and slow fashion, on a global level today. It's amazing to see the progress we are making towards this as an industry. Social media also has been a huge enabler for us to tell our stories of Indian handlooms and textiles.

“Grassroot as a brand was born out of this very need to tell India’s craft story and make it relevant to the global consumer of today. It was always my dream to showcase Indian handlooms and crafts on a global platform and the launch of our flagship store in New York brings that purpose further to life,” she said.

Talking about the new tailoring unit, the designer said Anita Dongre Foundation works with the local governments and village gram panchayats to create local Women Self Help Groups (SHGs) and bring livelihood or employment opportunities to their own villages.

“Empowering the people of these villages by giving them access to a dependable source of income, in their locality is critical to arrest the tide of migration to cities. Modgaon is the fourth location where we have setup a community garment tailoring unit (in addition to Charoti, Jawahar and Dhanevari) in the Palghar District of Maharashtra.

“There are no skilled artisans or weavers in these villages – the women from these villages are unskilled labour who we skill in garment tailoring on industrial sewing machines by setting up such training-cum-production centres, and this has been our key objective,” she said.

Added Dongre: “During the three months of training period, we train the women in basic and advanced skills of cutting, sewing and finishing garments and during this period every trainee is paid a stipend. Once the training is complete, we supply the center with fabrics and pay the women for the tailored garments on fair per piece rate basis so as to provide them with regular livelihood opportunities.

“Through this initiative, we mobilise women to create opportunities for skill development, employment and entrepreneurship. We currently support livelihood for over 160 women.”

Source: indianewengland.com- Oct 08, 2018

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