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IBTEX No. 256 of 2018 December 17, 2018

USD 71.80| EUR 81.19 | GBP 90.34 | JPY 0.63

Cotton Market

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

Rs./Bale	Rs./Candy	USD Cent/lb
21244	44400	**78.57**

Domestic Futures Price (Ex. Gin), December

Rs./Bale	Rs./Candy	USD Cent/lb
21820	45604	**80.70**

International Futures Price

NY ICE USD Cents/lb (March 2019)	79.60
ZCE Cotton: Yuan/MT (May 2019)	15,310
ZCE Cotton: USD Cents/lb	**100.79**
Cotlook A Index – Physical	**87.75**

Cotton Guide: ICE futures being range bound settled with positive figures. ICE March settled at 79.60 cents/lb with a positive change of +19. March touched a High of 79.94 and a low of 78.62. The increases for other contracts were seen between 19 and 32.

ICE estimated futures volume was around 16,900 contracts, lower than the previous day (source Cotlook). Total open Interest showed a negative figure of 32 contracts to 221,067. March OI decreased by 700 to 130,847 contracts while May OI increased by 724 contracts to 37,244.

Indian Future contracts at MCX emanated positive numbers of +30 and +40. December settled at 21820 Rs/bale with a +30 figure whereas January settled with a +40 figure at 22,070 Rs/Bale.

February settled at a +30 figure with 22,320 Rs/bale whereas March remained unchanged at 22,600 Rs/Bale (Indian Bale = 170 Kg). Volume for the most active – December contract was 1884 lots whereas Open Interest was 4926 lots.

Arrival figures are estimated to be 178,000 lint Equivalent bales (source Cotlook). Maharashtra arrivals are around 48,000 bales, Northern Zone at around 32,000 bales and Gujarat at around 38,000 bales. Cotlook Index A adjusted -0.50 at 87.75 cents/lb.

98,000 tonnes is the estimate for Egypt's crop production as compared to 65,000 tonnes of yesteryear. The aforesaid seems to have resulted into huge number of enquiries by the Indian mills. Egyptian Export registrations to India were seen to increase mainly due to this abundant crop figures. The average prices during the previous fortnight were reported to be around 109 cents/lb (CIF any Indian ports) for Giza 94.

On the Technical Front, ICE Cotton March futures remained in the same range of 78.60-81.20 during last week. Either-side break of the range would decide the direction in trend. Below 78.60 crucial support is at 77.60-77.00 levels. Likewise above 81.20 resistance is around 83.50-84.00 levels. In the domestic market (Dec futures) range will be 21700-22100.

Currency Guide

Indian rupee has opened little changed in early trades today to trade near 70.86 levels against the US dollar. On positive note supporting the currency is stabilization in domestic equity market and decline in Crude oil prices. Asian indices have stabilized today amid optimism over US-China trade deal while Crude oil prices ended last week with more than 2% slide. However capping the upside is recent gains in US Dollar along with global growth worries tracking recent spate of weak data. US Dollar Index jumped to June 2017 high on Friday amid upbeat data from US along with increased safe haven demand due to political turmoil in Europe. For the day we expect Rupee to trade in a narrow range amid mixed cues. USDINR may trade in a range of 71.6-72.1 and bias may be on the downside.

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

NEWS CLIPPINGS

INTERNATIONAL NEWS

A review of China-U.S. trade war in 2018

There is no doubt that the China-U.S. trade war was one of the biggest stories of 2018. The tit-for-tat tariffs levied between the world's two largest economies have put the global supply chain and trading system into uncertainty.

Like most of the candidates during the 2016 U.S. presidential election, Donald Trump blamed China, a growing economic power, for the problems of the domestic U.S. economy – a vote-winning tactic that is significantly easier than calling for domestic policy reform.

However, this billionaire president is not only talking, he's putting his anti-China rhetoric into practice.

Trump regards global trade as a zero-sum game and thinks of China as the biggest opponent, alongside other once close allies such as Canada and Mexico, with whom he amended trade rules by using tariffs as threat.

Starting with steel and aluminum import tariffs, the U.S. initiated trade tension with many countries before turning its focus on China, its biggest trading partner.

Trump has repeatedly stressed that China is taking advantage of his country via a huge trade surplus. However, he just as regularly forgets to mention all other members in the supply chain, such as major multinational companies from the U.S., that are taking big bites of the surplus.

Moreover, China's trade surplus with the U.S. only exists in the trade of goods. The U.S. had a trade surplus of 54.1 billion U.S. dollars with China in 2017, according to data from China's Ministry of Commerce.

After the U.S. fired the first shot by announcing 25 percent tariffs on Chinese imports worth of 50 billion U.S. dollars, China had to take retaliation.

But soon the tensions escalated and three rounds of tariffs were implemented between July to September.

The three rounds of talks – two in Beijing and one in Washington – failed to produce effective solutions.

It was only once the leaders of the two countries met during the G20 when a 90-day truce was finally achieved, presenting a glimpse of hope after the almost year-long trade war.

Unfortunately, before more tangible progress could be made, Huawei's CFO Meng Wanzhou was arrested in Canada on fraud allegations lodged by the U.S., intensifying bilateral tensions again and seemingly reigniting the trade war.

Even under these complicated circumstances, business and markets expect good news to be released in early March after the 90 days truce.

After all, no one is an island in this closely integrated supply chain and trading system. The tariffs have already caused turbulence within the U.S. For example, General Motors plans to halt production at five facilities in North America and cut 14,000 jobs due to the steel and aluminum tariffs which hurt the auto industry.

This is already a significant blow to the U.S. president, whose "America First" campaign was based on bringing jobs back to America and weakening the economies of others and not the other way around.

Fortunately, China's latest move may give the U.S. auto industry a relief. China announced on Friday to suspend the additional 25 percent tariff on imports of U.S. vehicles from January 1 until March 31.

Source: news.cgtn.com- Dec 16, 2018

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'Made in America' can fade in America: Clothing manufacturers worry about trade tariffs

Tariffs haven't hit them yet, but that's cold comfort to clothing manufacturers who proudly display the "Made in America" label.

Rick Helfenbein, president of the American Apparel & Footwear Association, told Bloomberg News that the multibillion-dollar industry remains "deeply concerned" about the threat of Chinese retaliation for the Trump administration's tariffs announced in June.

China has imposed a 10 percent tariff that was expected to increase to up to 25 percent at the beginning of next year. Finished apparel so far has not been added to the list.

Alen Lahiji, owner of Solid Fabric Textile and Islands Fabric in Los Angeles, told Apparel News that his cotton and poly/cotton blends are sourced from China and that he has seen a rush to import fabrics before the end of the year.

"All the containers have been booked right before January. Everyone is ordering as much as they can," he said. He also is finding new suppliers in other countries.

The industry was given a 90-day reprieve early this month as President Trump and Chinese President Xi Jinping called a truce to try to work out a deal, though many analysts are skeptical.

Source: washingtontimes.com- Dec 16, 2018

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Trade war buoys apparel industry in Bangladesh and Vietnam

Production shift likely to pick up as buyers look beyond China

The trade spat between Washington and Beijing is providing a tailwind for garment production hubs like Bangladesh and Vietnam, as more companies move away from China to avoid U.S. tariffs and sanctions.

China is the world's largest exporter of apparel, with shipments of $158.4 billion last year, or more than 30% of the global total. But that is down from around 40% at the beginning of the decade, with apparel companies gradually migrating to neighboring countries with cheaper labor costs.

Bangladesh is one of those alternatives. The country is the world's second-largest apparel exporter, with a 6.4% share. Vietnam comes in third at 5.8%. Wages in Vietnam are less than half that in big Chinese cities like Shanghai and Guangzhou. Labor in Bangladesh is cheaper still.

American apparel companies are also diversifying suppliers out of China. U.S.-bound apparel exports from Bangladesh grew 14% on the year to $1.48 billion in the July-September period, and rose 3% in the year through June.

Vietnam's apparel and textile exports are expected to climb 16% to a record $36 billion in 2018, according to an industry association. Apparel accounts for more than 10% of Vietnam's exports.

Recent increases in their apparel exports appear to come from production boosts at existing factories. And the trend is expected to accelerate further as American companies continue to move production beyond China in light of the trade war.

Apparel from China is currently not subject to extra U.S. tariffs, but it soon could be, the Donald Trump administration has signaled.

"Even the companies that were reluctant before are moving production out of China," said a source at a logistics company in Vietnam.

U.S. sanctions on Chinese technology companies are expected to accelerate the trend. The U.S. will prohibit government agencies from having any business dealings with companies that use communication equipment and surveillance cameras from five Chinese companies, including Huawei Technologies and ZTE, starting in August 2020.

A garment factory that uses equipment from these companies will not be allowed to supply uniforms or any other products to U.S. government agencies. And if a company is found to have made false statements about what equipment it uses, the U.S. could move to block its ability to carry out international transactions in dollars.

Given the widespread use of the blacklisted companies' products in China, moving out of the country altogether is the safest way to avoid problematic equipment.

For a nation like Bangladesh, where apparel makes up roughly 80% of exports, the economic benefits of this migration will be significant. The textile and apparel industry accounts for 20% of gross domestic product. Bangladesh is home to numerous contractors handling production for big apparel companies like Zara owner Inditex, Hennes & Mauritz and Uniqlo operator Fast Retailing.

Cambodia is another country emerging as an alternative production site, in part owing to its closeness with China diplomatically and economically. Since this fall, more textile businesses are securing land in an industrial park in the capital city of Phnom Penh, a source said.

Source: asia.nikkei.com - Dec 15, 2018

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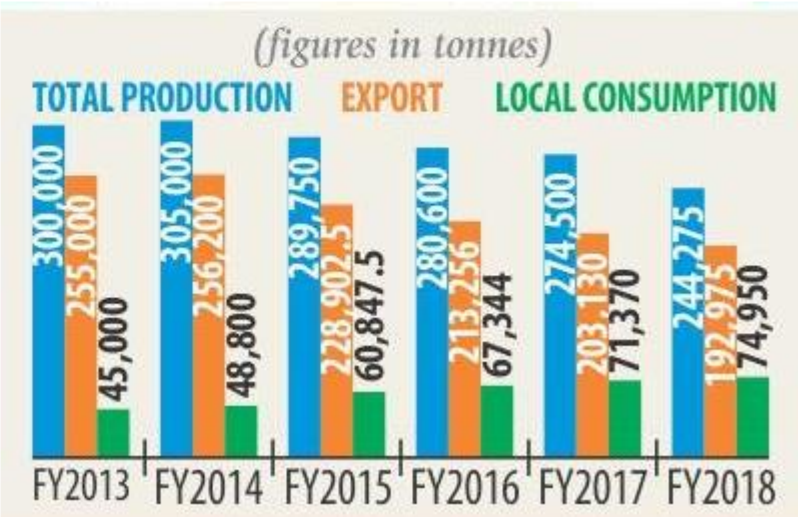
Bangladesh: Shipment falls for anti-export policy

Despite being a promising export item, shipment of garment scrap, locally known as jhoot, fell last fiscal year mainly due to the government's anti-export policy amid rising local consumption and a Chinese ban on import, industry people said.

Exports fetched $50 million in fiscal 2017-18, down 16 percent year-on-year, according to Syed Nazrul Islam Faruque, president of Bangladesh Textile and Garments Waste Processors and Exporters Association. “This is an indirect reflection of the government's anti-export tariff policy,” he told The Daily Star.



He said export slightly came down as China stopped importing the textile waste from Bangladesh at the end of 2017. In the previous years, Bangladesh used to earn $60 million to $70 million per year by exporting garment scrap.

Depending on quality, the export price of the apparel waste is $120 to $500 per tonne. However, Bangladesh Tariff Commission has fixed the minimum export price at $320 a tonne whereas the price hovers between $120 and $500 in the international market.

“We can't export jhoot at a low price because of the tariff policy although there is a huge demand of the low-end textile waste in the international market,” Faruque added.

About three lakh tonnes of garment leftovers are produced in Bangladesh every year. Of them, 95 percent is being exported, mainly to India and European countries. Cotton, yarn or even clothes are manufactured from the discarded fabrics and yarn through recycling.

Industry people said the export volume would increase if the government does not fix the tariff. There are two categories of garment scrap: one is from woven fabric and another from knit. Woven scrap is cheaper than knit, as it is easy to recycle the knit waste to yarn or fibre after reprocessing, Faruque said.

According to the chief of the association, they collect woven waste at Tk 25 to Tk 26 per kg and knit scrap at Tk 40 to Tk 45 a kg and then process them. About 10 lakh workers are involved in the waste processing industry and there are more than 1,000 waste processing factories in the garment industrial areas. More than 100 businesses are directly involved in exports.

According to the exporters' platform, a record 192,975 tonnes of scrap were shipped in 2017-2018, 203,130 tonnes in 2016-17, 213,265 tonnes in 2015-16, and 228,902 tonnes in 2014-15.

Separate data on garment scrap export is hard to come by as the National Board of Revenue considers the shipment as part of the overall garment export. There is no separate harmonised system (HS) code although the Tariff Commission has fixed the minimum export price, said Faruque.

He said there is no capable spinning mill in Bangladesh that can recycle garment leftovers to manufacture yarn and fabric. So, most of the processed waste has to be exported. There are a maximum 20 millers which manufacture terry towel using garment waste as raw material, but the quantity is very low.

About 40 percent of the garment leftover is exported to India, 40 percent to Europe, 15 percent to other countries, and the rest 5 percent is used locally to manufacture terry towel, according to Vhim Khetan, managing director of RL Trading, an exporter of apparel scrap.

Bangladesh has huge potential to export the garment leftovers as most of them are not locally used and a huge amount is generated by garment factories. “If garment scrap is not exported, it will emerge as an environmental hazard.”

Source: thedailystar.net - Dec 17, 2018

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Australia wool production forecast is at a 21-year low, the worst ever on record

Australia's wool production forecast is at a 21-year low, the worst ever on record.

In it's latest estimates the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) said wool production during the 2018/19 season will total 385,000 tonnes - down five per cent from an estimate in September of 404,000 tonnes.

That forecast would mean the smallest amount of wool produced since before 1997 (Australia does not keep official records on wool production before this date).

Continuing dry seasonal conditions across much of Australia's east coast, home to a big portion of the country's livestock industry, have forced producers to cull sheep due to lack of grass and soaring feed prices.

The area has received less than 40 per cent of the rain that would typically fall in the last six months.

Yet the decline in production is anticipated to support prices with the Eastern Market Indicator (EMI) expected to support prices for the remainder of 2018-19 even with the reduction in buyer demand resulting in a sharp decline of 12pc since August 2018.

Trade consultant for Australian Wool Innovation, Scott Carmody said the market is currently on "tender hooks" even though it is a good situation for those that can maintain their stock numbers.

"A lack of supply in the market causes spikes and falls of a greater magnitude because it is all exaggerated," Mr Carmody said.

"Because we are going into wool sales that have 38,000 or 40,000 bales at the peak of the season like what we have been seeing, it does hit home that the supply will eventually have to kick in on this market."

But he said producers don't mind putting the money into feed when they are getting a $80 to $95 fleece off the animal and potential $150 lamb.

He said woollen mills have changed their mind set.

“Most of the mills in China have decided that rather the machinery being the demand, they are now looking for true price indicators,” Mr Carmody said.

“They are now looking two or more months forward where they have to start considering starting production for next year’s autumn winter sale for the northern hemisphere.”

Australia provides about 90 percent of the world's exported fine wool used in clothing manufacturing.

The hit to production will put pressure on the global garment manufacturing industry with ABARES saying wool exports will fall nine percent during the 2018/19 season from the previous season.

Lower production will force millers to either pass on the cost or require retailers to cut down on the use of the fibre. Mr Carmody said he expects the production forecast to fall even more than the current estimate.

“As a wool industry we are looking at a 10 to 15 per cent reduction,” he said. “NSW’s wool production could fall by up to 20 per cent.

“The people on the ground are telling us the wool production out of the western district in particular, as a state NSW is looking at a 20 to 30 per cent reduction – 30pc the further west you go and 20pc closer inland.

“That is basically less wool cut per head, but the loss of sheep numbers as well.”

The overall impact of the US-China trade dispute on world textile trade and derived demand for Australian wool remains uncertain with Chinese consumer confidence and garment sales on the decline since the escalation of the trade tensions.

ABARES reports that this could signal weakening textile demand in China, especially for high-value woollen apparel.

Source: northqueenslandregister.com.au- Dec 17, 2018

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New regional UN report predicts export growth to slow in 2019

The Asia-Pacific Trade and Investment Report (APTIR) 2018 by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) notes an accelerated imposition of restrictions on trade in goods and services, and more reservations on Foreign Direct Investment (FDI).

The United States-China trade tensions have also begun to disrupt existing supply chains and dampen investor confidence, as evidenced by the deceleration in trade growth after the first half of 2018. If the trade tensions remain, export growth may slow to 2.3 per cent in 2019, compared to a nearly 4 per cent growth in export volume in 2018. FDI inflows to the region are also expected to continue in their downward trend next year, following a 4 per cent drop in 2018.

Tariff hikes are expected to cut global GDP by $150 billion, and regional GDP by a little over USD40 billion. Importantly, as many of the main export industries in the region are relatively labor-intensive, a contraction of export could spell at least temporary hardship for many workers. At a minimum, Asia and the Pacific will see a net loss of 2.7 million jobs due to the trade war, with unskilled workers -often women- shouldering more severe impact.

Source: fashionatingworld.com- Dec 15, 2018

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Pakistan emerges the largest importer of used clothing

Recent Statista figures reveal in 2017 Pakistan imported $240 million worth of used clothing making it the world's largest importer in this category.

The flea markets known as Landa Bazars specialise in selling used clothes in the country.

These markets are found in all major cities and cater to middle-class and poor customers looking for moderately priced warm clothing for a couple of weeks of cold weather.

Pakistan has a huge domestic textile industry that meets the needs of the people with relatively cotton clothing for the rest of the year. Pakistan is also a big exporter of readymade garments.

The top exporters of used clothing included the United States ($648 million), Germany ($371 million), the United Kingdom ($348 million), China ($219 million) and South Korea ($214 million).

The top importers in 2016 were Pakistan ($206 million), Ukraine ($166million), Kenya ($131million), Malaysia ($129million) and Ghana ($126 million).

Source: fashionatingworld.com - Dec 15, 2018

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Bangladesh: Health insurance brings smile to RMG workers

Garment worker Mira breathed a sigh of relief when she learnt last November that she would no longer have to bear her healthcare bills.

Paying an annual premium of Tk 100, the worker of Millennium Textiles (Southern) and Fashion House Ltd in Ashulia became the holder of a healthcare insurance policy.

The policy would cover her inpatient medical bills amounting to Tk 12,000 and outpatient bills, including medicine, of Tk 3,000 for the year.

Within three months of enlisting in the scheme, she fell ill with abdominal pains and nausea. Without much fanfare, she headed on over to the company designated hospital -- Centre for Woman and Child Health in Ashulia -- and was quickly treated by the doctors and handed over medicine worth Tk 1,000. The scheme took care of the bills.

“I had never heard about an insurance policy before,” she told The Daily Star, sitting with her co-workers at the factory. “Otherwise, I would have to wait till I got my next month's wages before I could go see a doctor.”

“I did not ignore my health from then on.”

A total of 10,000 workers from five factories in Savar, Ashulia and Gazipur have enlisted in the insurance scheme.

Of the yearly premium of Tk 575 per worker, Tk 375 comes from Carrefour Foundation, a non-profit organisation working against exclusion. The remainder is divided between the workers and factory owners.

Of the 2,200 employed at Millennium Textiles, 1,600 have already enrolled in the scheme. It is mostly the women who have enrolled to address their gynaecological issues, said Basu Dev, its assistant general manager.

According to a study by the Institute of Health Economics, Dhaka University, published earlier this year, the factories experienced fewer work absenteeism since this scheme was rolled out.

Workers are less reluctant to switch jobs as well, said Syed Abdul Hamid, the institute's director.

Encouraged by the study results, Hamid suggested initiating a life insurance policy for the workers.

Millennium Textiles adopted the life insurance policy recently, where the workers will receive Tk 30,000 in the case of death in addition to the health insurance.

“I will be paying Tk 150 this month as annual premium that will include both health and life insurance,” said Mira.

Under the project 'Working With Women II', the SNV Netherlands Development Organisation has been providing technical support to cover the cost of health care services for garment workers and create awareness among them on health insurance.

Farhtheeba Rahat Khan, team leader of Working With Women II, said, “In 2015-16, we piloted the Health Insurance Plus in three factories and after the initial positive responses, we are now scaling it up for adoption across the garment sector.”

The Carrefour Foundation will fund the project till 2019. The 'Working With Women II' will extend financial support till 2021.

Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association, said donations given by the foundation would phase out at a point. It was not possible to include 40 lakh apparel workers in the health insurance scheme, he added.

The BGMEA and the labour and employment ministry have a welfare fund for the garment workers. The trade body disburses the fund according to the needs of a worker, if he/she applies for it, he added.

Moreover, the BGMEA provides group insurance for workplace injuries or death.

Babul Akhter, a labour leader, said if a worker becomes paralysed or suffers from an injury, he/she can apply to the welfare fund.

However, to receive the funds, the worker has to go through a lot of paper work that passes through the board meetings, which make it a lengthy process.

The health insurance policy by SNV ensures primary health care, which is an important part; but it should be made legally binding by the government, he said.

Apparel workers are subject to a variety of diseases due to long working hours, lack of sanitation and a nutritious diet. Workers mostly suffer from tonsillitis, influenza, common colds, diarrhoea, headaches, sleep disorders and acute bronchitis, said Col MD Shahjahan [Rtd], a consultant medicine doctor at the Centre for Woman and Child Health.

Tuberculosis is also an epidemic among the garment workers, he added.

According to the Labour Act (amended), 2006, it is compulsory to have 'group insurance' for workers if an establishment has more than 100 permanent employees.

Health insurance initiatives will be more successful if all stakeholders -- the government, owners, international brands, buyers and workers come forward to contribute, said Abdul Alim, lead trainer of Social Accountability International -- a New York-based not for profit organisation for human rights at work.

Though health insurance is not compulsory by law, it should be introduced for the betterment of factories since it boosts productivity, reduces workers' absence and encourages less migration, said Syful Alam Mallick, regional compliance manager at Auchan Retail International.

Source: thedailystar.net - Dec 17, 2018

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Pakistan: Govt finalises 5-year tariff policy

Adviser to Prime Minister on Commerce, Textile and Industries Abdul Razak Dawood has announced that the government has finalised a five-year national tariff policy aimed at restricting duties on raw material and machinery imports for export-based industries.

“We are making efforts to rationalise certain taxes and regulatory and customs duties,” he said. “At present, there exists roughly 34 different taxes and the government is planning to reduce them to 12 or eight in the next couple of years.”

It would assist the leadership to remove a key impediment in the way of ease of doing business, the adviser emphasised, adding that he was well aware of the challenges faced by the business community regarding tax slabs and tariff lines.

Addressing the ‘Emerging Pakistan’ ceremony organised by the Rawalpindi Chamber of Commerce and Industry (RCCI) at the Jinnah Convention Centre, Dawood highlighted that the government, in its first 100 days, had initiated reforms in the Federal Board of Revenue (FBR) and transformed its functioning.

Trade deficit narrows to $8.9b in first quarter

“We have decided to withdraw policy functions from the FBR,” he said, adding that from now on, the finance ministry would be formulating the policy in consultation with key stakeholders including the business community.

He assured the RCCI of complete cooperation in fulfilling its demand of converting the old airport building into a modern expo centre and installation of a grid station for the Rawat Industrial Estate.

The adviser voiced hope that people would notice a genuine change on the economic front in the next 30 days as major changes had been made keeping in view the policy matters pertaining to taxation, exports, refunds, regulatory and customs duties and incentives to business community with respect to the ease of doing business.

"Renowned companies of the world including ExxonMobil, Pepsi and Suzuki have pledged additional investment in Pakistan," he pointed out.

World Bank asks Pakistan, India to trade more via land

Earlier, RCCI President Malik Shahid Saleem, in his address, emphasised that the major aim of the event was to discuss current economic challenges, decline in exports, taxation and promoting a positive image of Pakistan.

He was of the view that Pakistan's economy was taking a leap and hence, the country needed an environment conducive to investment.

He urged the government to tackle the prevailing uncertainty surrounding the business corridors and provide maximum assistance and incentives for broadening the tax net.

He termed private sector the backbone of exports, pressing the government to address its grievances at the earliest. Major issues highlighted were sales tax refunds, rupee depreciation, rising interest rate and high regulatory duties on raw material.

Source: tribune.com.pk- Dec 16, 2018

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Kenya: GM cotton not 'backdoor' to release GMOs – experts

The National Biosafety Authority has denied that the push for the release of genetically modified cotton to farmers is being used as a smokescreen to release other GMO crops into the country.

The authority's CEO Dorington Ogoyi last week said that even though GM maize was the genetically modified product to be approved for national performance trials in Kenya, Bt cotton has gained momentum and is moving faster.

"This will not enhance the approval of other products because at the moment Bt maize has already gotten approval for the trials. Other products such as cassava are in the pipeline and I don't think this could facilitate the push for others. However, if it does, it will be good for the country because it will still be based on the safety considerations. If the Bt cotton opens the way for other products, as a regulator, I will be happy to move along but safety concerns are not debatable," Ogoyi said.

He assured that the product under the national performance trials in Mwea have been properly tested using international standards to ensure that is it safe for human and animal health. On November 21, a food security lobby group opposed the move by the government to introduce GM cotton, raising concerns over it's safety to both human and animals. The group said the GM crop will stand in the way of sustainable solutions such as ecological agriculture.'

Ogoyi said the product has been assessed to ensure that it is safe as food and feed for animals, and the oil derived from this product is as good as that derived from the conventional crop.

Speaking during a study tour of Mwea Bt cotton NPT site, Industrialisation PS Betty Maina said the results from this demonstration site will be used to give feedback to other policymakers in order to decide on the adoption of this technology.

"Farmers have long given up on cotton due to the attack by the bollworm and this is a technology that has been proven around the world as resistant to the worm which is a threat to cotton production," she said.

Maina said it is however important that the milling factory is also processing products that come from Kenya. “Right now we are having to import cotton from other parts of the Continent in order to utilise the capacity that we have. It is important that we start to encourage farmers to plant high yielding varieties. This is just one step in the ministry of agriculture and environment giving confidence to farmers,” she said.

Research and crop development PS Hamadi Boga said it is important that as a country, every decision made should be guided by evidence, and that the only way to collect credible evidence is to perform experiments so that the results can explain themselves.

“Agriculture is driven by genetics. Where we want to be competitive, we must embrace superior genetics. The reason why our farmers are stuck in poverty is that we are using local things that are not competitive. So we are not farming like a business, we are just farming. GM technology has enabled countries like India to move to be the leading country in cotton production and in the textile industry,” said Boga.

He confirmed that all the cotton imported in Kenya is grown using this technology. The PS said: “So we can let our farmers cling to the old technology where they are not making anything while we keep importing out textile from elsewhere. For me as a scientists, this does not make sense because this experiment has shown that we can actually grow Bt cotton here, produce the textile and develop our industry.”

“I hope in future technologies can be adapted much faster. Sudan adopted the technology in two years, but in Kenya, we have a culture of dragging things because we don't want to make decisions sometimes. But we must involve everyone because in the end we will all stand to benefit from this technology,” said the PS.

He said this is phase one of the NPTs and phase two will begin in the next rainy season in March to May and once the results are confirmed, it will be up to the policy makers, “the scientist will have done their part,” he noted.

Source: the-star.co.ke- Dec 17, 2018

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NATIONAL NEWS

Big import duty cuts will boost economy

This, however, works best in tandem with elaborate product standards and non-tariff measures

Finance Minister Arun Jaitley, speaking at an official event on December 4, made a strong case for lowering of import duties. Higher the tariff, bigger the evasion across sectors, he said. This is most welcome. Lower import duties will for sure create conditions for high growth in trade and investment and help the economy in at least four ways.

One, increase India's export. Lower duties will remove a big structural weakness of India's exports by enabling participation in the global value chains (GVCs). Products manufactured in GVCs account for two-thirds of world trade, but India's share is meagre.

Consider India's share in few products manufactured in GVCs: Mobile phones (0.19 per cent), integrated circuits (0.01 per cent), computers (0.04 per cent), solar-powered diodes, transistors (0.14 per cent), LCDs (0.04 per cent). India's overall share in world goods trade is 1.7 per cent.

What's the reason for a low share in GVCs? Mainly, import duties and time taken at the port/Customs. Since the complex production process requires goods to cross borders several times at different stages, any duty charged has a cascading and accumulative effect on trade. A reduction in import duty and quick clearances at the port/Customs will improve the situation and help Indian exports.

Two, improve ease of doing business. For industrial goods, India's average rate of import duty is 10.2 per cent while the weighted average import duty is only 5.7 per cent. The significant difference in the two numbers is because some of the key imports attract low duty and large value of imports are allowed end-use specific exemptions.

Lower duties will do away with the need for grant of many exemptions which make implementation complex. High duties also lead to smuggling, evasion, litigation, and corruption.

Three, reduce the need for most export schemes. Many exporters use duty exemption schemes to import inputs and machinery needed for making an export product at zero duty. Low import duties will reduce the need for such export schemes.

Low duties will reduce the outgo under the drawback scheme, which allows a refund to the firm which uses duty-paid inputs. Further, higher the duties, higher the allure to take more than is due through over-invoicing of exports. Duty reduction will make export schemes simple to administer and reduce the hassle of exporters.

Four, more robust trade policy regime. For example, low duties will reduce the adverse effects of free trade agreements (FTAs) on domestic industry.

High tariff means high protection to domestic industry. If the high wall crumbles as a result of FTA, the industry gets a big shock when a high import duty country enters into an FTA — substantial trade shifts from most efficient supplier to the FTA partner as the latter supplies without high duties.

Import duty in most of India's FTA partners is lower compared to India. This means their firms gain more price advantage compared to Indian counterparts. Reform of Customs duty regime should ideally precede signing of any mega FTA.

Before proceeding, we must address concerns of naysayers. They say: If duties are low, who will make in India? Does high duty wall bring investment? Global car majors invested in India on account of very high import wall. Would they go back? Will lower duties lead to a surge in imports? China and South Korea have high duties?

Trade and duties are inversely related. Between 1991 and 2018, while average import duties came down from 128 per cent to 10.2 per cent, India's merchandise trade (exports and imports) rose from $37 billion to $770 billion.

Also, no surge of unwanted import happened during this time. China and Korea mainly use NTBs to protect unwanted imports. Also, their large scale imports happen through FTAs.

Two-step plan

One, a broad look at India's imports of $465 in FY18 should be the starting point. India's schedule has 11,500 tariff lines. Value-wise, the top 50 per cent imports are concentrated in only 25 lines relating to crude oil, gold, diamonds, mobile phones, telecom products, etc. Except for gold all others are low-duty products. Next, value-wise, the top 90 per cent of imports are concentrated in just 1,000 lines. Also, there are only 5,300 lines on which imports cross $1 million.

Next, let us get an idea of the import duty collected. India collects more than 85 per cent of basic customs duty from less than 10 per cent of tariff lines.

Also, the bottom 60 per cent tariff lines contribute to less than 3 per cent of revenue. Within this framework, we may carry out a nuanced reduction in basic customs duties.

For example, we may identify 15 per cent of industrial tariff lines as strategic and retain the current level of duty on these.

These may include items on which we wish to invite FDI for manufacturing. Then, we may reduce duties on most raw materials and intermediate goods. For the remaining industrial products, India may move to 5 per cent duty regime in the next five years. For agriculture products, a detailed product-level approach would be needed.

Two, set up quality and standard infrastructure. Simple average import duties on industrial goods in Canada, Japan, Australia, the US, and the EU vary between 2 per cent and 4 per cent.

This does not mean that these countries allow free access to foreign products. They have switched to use of non-tariff barriers such as product standards to control unwanted imports.

India also needs to create such a set-up for important products. Lower duty regime works best in tandem with elaborate standards and non-tariff measures regime.

We need to take the call and announce a five-year schedule for a reduction in duties. Any reduction in duty can be reverted without violating our commitments at the WTO.

Source: thehindubusinessline.com- Dec 16, 2018

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Textile industry has tough time availing of scheme benefit

Technology Upgradation Fund Scheme (TUFS) was formed by the government to help the knitwear and textile industry in improving their technological skills. However, the industry is facing a lot of difficulties to avail of benefits under the Amended Technology Upgradation Fund Scheme (ATUFS).

The Knitwear and Textile Club has written a letter to the Prime Minister in this regard. Vinod Thapar, president of Knitwear and Textile Club, has stated that the industry is facing issue regarding the timely sanction and release of the subsidy under the ATUFS.

"As per the existing ATUFS guidelines, issued by the Ministry of Textiles, timelines are given for each stage in processing of a unit's claim for availing itself of benefits under the TUFS. It has been observed that the given timeline is only followed by applicant units whereas there is no timely compliance for the office of the Textile Commissioner, Mumbai.

The office of the Textile Commissioner is not following the given timelines under the ATUFS. In some cases, it was observed that though inspection was conducted by the Joint Inspection Team (JIT) of the Textile Commissioner in 2016, subsidy has not been sanctioned till date," he said.

He said other major problem is that under the ATUFS, the machinery manufacturers, who supply the machines to applicant textile units, have to be registered with office of the Textile Commissioner, Mumbai. "If the unit has purchased a machine from a non-registered supplier and applied for the subsidy under the ATUFS, that machine will not be eligible for the subsidy.

But under the Revised Restructured TUFS, there was no such condition regarding the compulsory registration of the supplier," he said.

Machine serial number causes troubles

Club General Secretary Charanjiv Singh said according to the ATUFS policy, the "machine serial number should be expressly written on the shipping documents — commercial invoice or bill of lading or the airways bill — or the same should expressly be written in the bill of entry in case of imported machinery."

In the case of domestic machinery, the machine serial number should be expressly mentioned in the commercial invoice. In the absence of such information, the machinery would have been ineligible for benefit under this scheme, he said.

Thapar added that they respected the ATUFS guidelines, however, they demanded that in the absence of machine serial number on commercial invoice/bill of lading or the airways bill/ bill of entry or any m/c related documents, the applicant unit should not be deprived of government benefits.

Mentioning machine serial number on machine-related documents is the complete responsibility of a supplier, not of the applicant unit. Since machines purchased from the registered supplier is eligible for subsidy as such at the time of registration, the supplier concerned should be clearly instructed by the office of the Textile Commissioner, Mumbai, to mention the machine serial number on all machine-related documents.

Due to the ignorance of machine manufacturer/supplier, the applicant textile unit should not be deprived of the government subsidy.

Moreover, it is informed that each machine has a serial number already on it and is physically verified by the JIT of the Textile Commissioner before releasing the subsidy, said club members.

Source: tribuneindia.com - Dec 16, 2018

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Projects worth Rs 44,605 cr underway for rail connectivity to ports

As many as 52 projects for rail connectivity to ports are underway entailing an investment of Rs 44,605 crore, an official said on Sunday.

These projects are being undertaken by the Indian Port Rail Corporation Ltd (IPRCL) and the Ministry of Railways.

IPRCL has taken up 32 projects worth Rs 18,253 crore across nine major ports, of which eight projects worth Rs 175 crore have been completed, a Shipping Ministry official said.

The official said in addition, 23 rail connectivity projects worth Rs 24,877 crore identified under Sagarmala have being taken up by the Ministry of Railways, out of which seven projects entailing Rs 2,491 crore investment have been completed.

Sagarmala is a port-led development programme of the country which seeks to reduce logistics cost for both overseas and domestic trade.

Another 15 rail connectivity projects worth Rs 4,193 crore have been taken up, out of which three projects worth Rs 52 crore have been completed.

“A total of 52 projects with an investment of Rs 44,605 crore are in various stages of implementation by these agencies, while 18 projects have been completed,” the official said.

Indore-Manmad new railway line project

Besides, a pact for implementation of the 362 km Indore-Manmad new railway line project has been signed recently between Jawaharlal Nehru Port Trust, Ministry of Railways and the governments of Maharashtra and Madhya Pradesh.

The new project will reduce the distance from Mumbai/Pune to key central India locations by 171 kilometers, resulting in lower logistics costs, the official said.

This is especially significant as the new railway line will pass through the Delhi-Mumbai Industrial Corridor nodes of Igatpuri, Nashik and Sinnar; Pune and Khed; and Dhule and Nardana.

Source: thehindubusinessline.com - Dec 16, 2018

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How India fuelled slavery with the export of cotton

Two hundred years ago the first cotton mill was set up in India

Daniel Defoe once lamented in his weekly, The Review, that the English had taken to dressing in Indian carpets. Chintz from India “crept into our houses, our closets, and bed-chambers; curtains, cushions, chairs, and, at last, beds themselves were nothing but calicos or Indian stuffs… almost everything that used to be made of wool or silk, relating either to the dress of women or furniture of our houses, was supplied by the Indian trade.”

That was in 1708. The old English East India Company had just merged with the United Company of Merchants of England to become the East India Company. That same year, the company’s Indian headquarters shifted from Bombay to Calcutta. A century later, in 1818, the first Indian cotton mill, the Bowreah Mills, was created by Henry Gouger (or Patrick, in some accounts) at Fort Gloster in the Hughli district of Calcutta.

Fuelling slavery

Indian cotton was the gasoline for the Industrial Revolution in Britain as well as the accelerator of railway projects in India. Shashi Tharoor has famously remarked that India “paid for its own oppression” under British rule. India has exported cotton and fabrics to Europe since the 16th century — in the process procuring its own slavery and that of Africa.

Harvard historian Sven Beckert writes in Empire of Cotton, “What all these European trading companies had in common was that they purchased cotton textiles in India… whence they might be consumed domestically or shipped to Africa to pay for slaves to work the plantations just beginning to take root in the New World… Slaves, after all, could only be gotten by exchanging them for the cottons from India.”

The first truly Indian cotton mill is usually attributed to Cowasjee Nanabhai Davar of Bombay Spinning and Weaving Company. Built in Bombay in 1851, it started work in 1854. The very first cotton mills in India, however, were powered by the British. Bowreah Mills was built for £200,000, for 20,000 spindles and 100 looms, and was a pioneering attempt at imperial technology transfer to India.

The mill employed European women to teach machine-spinning skills to local workers. In the 1840s, the Mills was in a large complex that "included a cotton twist yarn factory, a rum distillery, a foundry, an oil mill, and a paper mill. There were five steam engines in the complex." In the 1870s, it had grown to 45,000 spindles. By then, India had 47 mills in operation.

Looking east

When the American Civil War broke out (1861-65), the export of long-staple American cotton to the Lancashire Mills stopped, becoming the chief reason why Britain began to look towards India for raw cotton. Britain thus bought India's crop, grown under strict regulations of imperial revenue and taxation, finished it into cheap textiles using British technology, and oversold it to the colony under the monopoly of its administration.

The number of cotton mills in India rose from 58 in 1880 to 79 in 1883, 193 in 1900, 271 in 1914, and 334 in 1929 — mostly in Bombay and Ahmedabad. Before the outbreak of World War II, they employed 4,00,000 Indians. And this came about a little over a century after driving millions of homespun cotton weavers and craftsmen to mortal bankruptcy.

Before this revolution, Dhaka muslin was the lavish article in Britain, but soon the delicacy of Indian cotton was being feted. French travellers Francois Bernier and Jean-Baptiste Tavernier wrote of its ubiquity in Mughal harems and on the bodies of royal personages. Meena Menon and Uzramma write in A Frayed History: The Journey of Cotton in India that Indian muslins were known as aab-e-rawan (running water), shabnam (evening dew) and beft hawa (woven air).

Even after the Battle of Plassey, when East India Company took control of over 70% of the world's saltpetre by controlling Bengal, cotton continued to be its principal export to Europe — occupying 75% of the company's total trade in 1766.

After acquiring monopoly over all trade in Bengal and Gujarat, Britain militarised and bureaucratised its naval and industrial expansion by the late 18th century. The India cotton trade became a three-continent spanning enterprise: "cotton from India, slaves from Africa, and sugar from the Caribbean moved across the planet in a complex commercial dance," writes Beckert.

Lancashire and Manchester — the cotton textile manufacturing and retailing cities of Britain — profited tremendously from the market for Indian cotton that had already existed in pre-industrial Europe.

Mining the 'white gold,' as cotton was also called, became Britain's native industry. The mourning spectres of weavers in Bengal, Mysore and Gujarat haunted the Raj, in what the philosopher Jacques Derrida calls, in Specters of Marx (1994), the séance of a commodity "as a ghostly silhouette".

Deep paradox

Gandhi understood the ghostliness of an industry that had mummified weavers into power looms. And one of the first strikes he led was at a cotton mill in Ahmedabad in 1918.

The charkha was Gandhi's attempt to crystallise the very deep paradox of an Indian economy and culture in the hands of Western imperialism. The real colonisation was not just British economic exploitation, but the transition of India from a self-sustained economy to an industrialised nation, which would preserve and perpetuate the class divide.

It is crucial to remember Bowreah Mills in the context of India's cotton history, and Gandhi's radical experiment to decolonise and emancipate the agrarian economy. In just about 100 years — from 1708 to 1818 — the East India Company came around from imitating Indian textiles to inundating India scene with British textiles.

In another 100 years, that is, by the 1930s, the Mahatma, passionate about exorcising the ghosts of previous centuries, wanted to boycott not only British-manufactured cotton, but also cotton produced in Indian mills. Even though two of his most notable companions, Ghanshyam Das Birla, a cotton magnate, and Jawaharlal Nehru, opposed this theatrical idea of swaraj.

Five years ago, in 2013, there were about 2,000 cotton mills in India. This was still 600 less than the number of mills in Lancashire alone in 1860. Two hundred years after its first cotton mill, India has been unable to come close to the scale that Britain enjoyed during the Industrial Revolution. And from 2013 to 2017, although still the third biggest cotton exporter in the world, India's total cotton exports have fallen by a staggering 59%.

The chatterati might focus on the Modi jacket, but the real story of cotton lies far beyond these superficial concerns.

Source: thehindu.com- Dec 16, 2018

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How can India take advantage of Industry 4.0

The fourth industrial revolution or the term 'Industry 4.0' was coined to describe how virtual and physical systems interact to a create wide-ranging impact in which we work, live and communicate with other people. The fourth industrial revolution is different from earlier revolutions in its velocity, breadth and depth, and its impact on systems.

Fast technological changes are likely to bring wide-ranging impacts to the society. For example, we are already witnessing the impact on our daily lifestyle due to smartphones and internet connectivity.

A decade or so ago, economists and political scientists were forecasting that the 21st century will be the Asian century, mainly due to the rise of two giants, India and China, who would benefit from the demographic dividend. However, the fast pace of innovation in artificial intelligence (AI), machine learning and robotics may change the narrative 180 degrees.

Unless the right kind of policies are put in place, the benefit of demographic dividend may never be realised in developing countries like India. In Industry 4.0, with the increasing rate of the replacement of humans by machines and robots, manufacturing may again go back to the developed countries. This may crash the aspirations and hopes of the developing world to catch up with the developed world and help raise the incomes of their masses.

In India, can we think of taking advantage of the fast-paced technological changes and leapfrog into the future with new-age systems without transitioning through the long cycle that most of the developed countries went through? What are the social, technological and administrative changes that must be made to make India's cities future-ready for Industry 4.0?

For this, we need to identify how we work, live and communicate with other people, and how our infrastructure is being designed and implemented. Basically, we have to consider how we can increase the productivity of our people and adapt to ever-changing skill requirements.

Cities have been engines of growth all over the world. However, overly populated cities are getting crushed under the burden of an ageing infrastructure, pollution, traffic jams, natural and man-made calamities like climate change, and are unable to optimise the use of resources, thereby resulting in low productivity and poor quality of life for their residents. The amount of time that is spent by people in travelling from their homes to workplaces is taking a huge toll on human aspects, including family life and personal well-being.

A person who is not happy at home will bring his problems to work, and becomes less productive. Cities can address this problem by providing good public transportation with last-mile connectivity, so that travel time is reduced, allowing more quality time for human interactions and an overall better quality of life. A well-connected information and communications (ICT) enabled ecosystem for businesses can provide them access to up-to-the-minute information so that they can make smart decisions.

Greenfield smart cities present a huge opportunity because they are starting from scratch, and have the ability to start afresh everything, including modern facilities with public transportation, ICT-enabled infrastructure and impart the right kind of skills to its people. Greenfield cities can become centres of excellence for new-age industries and become innovation hubs.

One of the emerging mega trends is the demand for customised products that are currently being mass produced on assembly lines. Even products such as apparels, cars and mobile phones will be customised in the future. Cars are going to be more like an electronic product and fall less and less in the mass-produced automobile segment.

3D printing will become ubiquitous to produce customised products as per individual requirements. This could be the biggest employment generator and forex earner for a country like India—by exporting customised products to consumers the world over, especially to high-end customers.

Renowned futurist Heather McGowan has said that, earlier, people were trained for 25 years and used that knowledge for the next 40 years till they retired. However, this is going to change very soon and “continuous lifelong learning” will be the successful model for industries to remain competitive and for workers to remain relevant in organisations. The distinction between research institutes and production units will blur, and there will be constant exchange between industries and educational/research institutes. With the help of AI and robotics, new ideas will be used to build prototypes and quickly converted into mass products.

New products will be introduced at a much faster rate. This will require close interaction between academia and industry. Fast changes in technology will require constant upgrade of skills and implementing new ideas quickly. High-end educational/research institutions need to be co-located with industries in these greenfield cities, so that they can interact with each other seamlessly and bring new customised products as per changing requirements. Time is now to revamp our education system, with a focus on research, creativity, communication skills and jobs that cannot be replaced by robots.

The biggest criticism of this approach could be that India does not need to spend money on greenfield cities, when a majority of our masses are deprived of basic amenities. We have to remember that these greenfield cities will be big centres for employment generation to the youth coming from metros, small towns and villages, and will enable them to move up in the income pyramid. In the 1990s, the software industry emerged as one of the biggest sources of employment generation and helped hundreds of thousands of youth to be in highly remunerative jobs and raise their standards of living. Greenfield smart cities will tap the potential of the youth to meet the requirements of new-age industries. These centres of excellence will have huge demonstrative role to make our cities better and smarter, and pave the way for India to become a developed nation.

Source: financialexpress.com- Dec 17, 2018

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Traditional apparel is becoming a part of daily wear

Indian consumers are increasingly spending more on ethnic wear, helping companies such as TCNS Clothing, BIBA, Manyavar, House of Anita Dongre and Soch post strong jump in their revenues last fiscal.

Their merchandise, especially premium ones, were mostly visible on catwalks and bridal scenes a few years ago. Now, it has turned mainstream and is being worn daily. “The aspiration to dress well and look good is growing and social media is bringing that sharply since everyone wants to be photographed well,” said Siddharth Bindra, managing director at BIBA.

Companies sales

(in ₹ crore)	FY17-18	FY16-17
TCNS	845	702
Manyavar	769	603
Biba	549	460
AND	487	459
Soch	366	339

As per the latest filings with the Registrar of Companies, BIBA, TCNS, maker of W and Aurelia brands, and Vedant Fashions, owner of Manyavar, posted sales growth of 19% each. Anita Dongre and Soch posted lower growth at 7% due to limited store expansion.

These brands have almost doubled their sales over the past three years. Sales of these five companies put together were about `3,000 crore last fiscal, more than the apparel sections of both department store chains Shoppers Stop and Lifestyle International that sell around a hundred brands, or the overall revenue of Tata’s Westside.

Indian wear, initially largely restricted to the old-age segment, have also found acceptance among younger consumers as companies widened their portfolio to sell fusion clothing — a mix of modern and traditional wear — instead of just ethnic, which are reserved for special occasions.

In India, ethnic wear is the single biggest category in the women's wear segment with a share of 71%. This is despite global fashion brands such as Zara, H&M and Vero Moda pushing their westernised clot ..

One reason could be the steady use of this attire as de rigueur office wear. "Ethnic wear is still considered formal wear for women," said Rajiv Suri, managing director at Shoppers Stop.

Second, Indian consumers are increasingly getting steeped in Indian traditions, signalling the potential of burgeoning ethnic wear market, say marketers.

"The broader trend is about Indian pride now in a country which is doing well economically and its leader wearing only ethnic wear," said Ravi Modi, founder of Manyavar. "Even our stores in the US are also doing great business with 40% of customers being non-Asian."

Another growth trigger is growing popularity of online shopping that has helped these brands reach out to customers in smaller cities. But unlike westernised brands, many of these brands have a strict pricing policy.

"We see brands getting discounted at physical stores due to online competition. But we remained focused on our strategy of no discounting and keeping merchandise mass-priced," said Manohar Chatlani, founder of Soch Apparels.

This surge in growth will continue, especially as 2018 was a hallmark year as far as weddings go for India's power couples. During the year, Queen Mathilde of Belgium, Sophie Gregoire Trudeau, wife of Canadian Prime Minister Justin Trudeau, and presidential nominee Hillary Clinton were spotted wearing India ethnic attire from Anita Dongre's collection when they visited the country over the past year, according to the latest financial report of The House of Anita Dongre that sells AND, Global Desi and the eponymous designer label.

Source: economictimes.com- Dec 17, 2018

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Textile managers urged to focus on skill development

The textile industry needs to focus on training its young managers and technicians, T. Kannan, Managing Director of Thiagarajar Mills, said here on Saturday.

Mr. Kannan was speaking at the inaugural of the 74th All India Textile Conference of The Textile Association (India), organised by its South India Unit. The theme for the two-day conference is “Global Textiles - The Way Forward”.

“We need to do much more to train the managers and young technicians,” he said. There are many ingredients for the success of a textile unit. The most important is the manager or the chief executive officer. The industry faces challenges in this area as most of the textile units are small and medium-scale enterprises that are family-owned and family-run.

Explaining the requirements of the an efficient manager, he said the candidate should have the right information about developments in the industry. In the changing market, most of the companies go through the cycle of ups and downs. Managers should understand the risks and manage these, he said.

T. Rajkumar, deputy chairman of Confederation of Indian Textile Industry, said the industry was giving thrust to innovation. It was going through changes in all its segments. The stakeholders should work towards sustaining export and domestic growth of textiles and clothing.

Raja M. Shanmugam, president of Tirupur Exporters’ Association, said the total annual turnover of the knitwear units in Tirupur is about ₹45,000 crore. The aim was to achieve ₹1 lakh crore by 2020. However, macro economic changes slowed down growth for the last two years. The knitwear town is hopeful of achieving the target by 2022.

T.K. Sengupta, president of The Textile Association (India), said the vision of the Association is to promote technological knowledge. The next world textile conference would be held in Dhaka next year.

T.R. Dinakaran, Chairman of Shri Ramalinga Group of Mills, presented "Life Time Achievement Award" to R. Jagadish Chandran, Chairman of Premier Mills, and Mr. Kannan presented "Industrial Excellence Award" to Sanjay Jayavarthanavelu, Chairman and Managing Director of Lakshmi Machine Works.

Source: thehindu.com- Dec 15, 2018

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India, France hold talks on deepening bilateral cooperation

India and France Saturday held discussions on deepening bilateral strategic partnership through cooperation in the Indo-Pacific region, defence, space and civil nuclear energy sectors.

External affairs minister Sushma Swaraj and French minister of Europe and foreign affairs Jean Yves Le Drian discussed ways to further strengthen bilateral cooperation.

"We had very fruitful talks. We closely looked at all the aspects of our mutual ties. We are taking our cooperation forward in the Indo-Pacific region, which will not only benefit these two countries but also other countries in the region," she told reporters.

Noting that the foundation of India and France relations is based on "mutual trust", Swaraj said the two countries are looking to strengthen their ties in various sectors. "Our defence relations are historic and we have been involved in a number of exchanges in the form of training and joint exercises," she said.

The External affairs minister also reiterated the resolve of the two countries to jointly fight against terrorism. "We both are also working in strengthening our ties in space sector. We both are also leading fight against climate change," she said.

"Last year, our bilateral trade was worth 9.62 billion euro, if we both have to reach the trade of 15 million euro by 2022 we both will have to work towards further strengthening our trade relations," she said.

There will also be an exchange of 10,000 students between the two countries by 2020, Swaraj said.

Her French counterpart Le Drian said the two leaders reviewed the status of the European Pressurized Reactor (EPR) project in Jaitapur, Maharashtra and adopted an action plan to guide our work for the coming months so as to advance as efficiently as possible towards the final decision for building this power plant.

"Six EPRs account for a total capacity of almost 10 GW, which is a significant contribution to India's aim of producing 40 per cent of its electricity from non-fossil fuels by 2030, in keeping with its commitments made ahead of the Paris Climate Conference," he said.

The Jaitapur project will also contribute to Make in India as it involves transfers of production, technology, joint research and training, Le Drian added.

He said the discussion between the two leaders was "characterised as always by a great convergence of views and shared ambition".

"It is not by chance that France and India are celebrating the 20th anniversary of their strategic partnership this year. It is because we attach the same importance to multilateralism, respect for the rule of law, the same ambition to usher in a just and sustainable world," he said.

"It is also because India knows that in France it has a partner that has never failed it and on which it can count in the future. This holds true on the strategic front, notably with the strengthening of our exchanges on the Indian Ocean, which today are fast developing and our shared commitment to fighting terrorism, as we mark 10 years since the deadly Mumbai attacks," Le Drian said.

"This holds true on the economic front: our companies are investing and innovating in India under the Make in India programme. On the fronts of urban development and the digital economy, our companies are present and working to build the India - and France - of tomorrow," he added.

Source: timesofindia.com- Dec 15, 2018

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