



IBTEX No. 261 of 2018

December 24, 2018

USD 70.26 | EUR 80.02 | GBP 88.97 | JPY 0.63

Cotton Market		
Spot Price (Ex. Gin), 28.50-29 mm		
Rs./Bale	Rs./Candy	USD Cent/lb
20813	43500	79.01
Domestic Futures Price (Ex. Gin), January		
Rs./Bale	Rs./Candy	USD Cent/lb
21490	44914	81.58
International Futures Price		
NY ICE USD Cents/lb (March 2019)		73.18
ZCE Cotton: Yuan/MT (May 2019)		15,225
ZCE Cotton: USD Cents/lb		100.38
Cotlook A Index - Physical		83.40
<p>Cotton Guide: ICE March Settled at 73.18 cents/lb after tough a steep low of 79.07, which is a (-188) point drop. The other ICE contracts settled at 74.62 for the May contract and 75.96 for the July contract with drops of (-185) and (-174) points respectively.</p> <p>At the domestic front, the focus has now shifted on MCX January 2019, which settled at 21,490 Rs/Bale with a change of (-410). MCX February contract settled at 21,720 with a downward slide of (-410). The March contract emanated a slide of (-400) Rs settling at 21,970 Rs/Bale.</p> <p>Arrival Figures in India are estimated to be around 1,80,000 lint equivalent bales (private estimates).</p>		

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Shankar 6 was available at an average price of 43,500 Rs/Candy where as Punjab J34 was available at 4,360 Rs/Maund. Cotlook Index A was adjusted to a massive (-1.65) cents/lb at 83.40 cents /lb CFR main Far Eastern Ports.

It been all bearish last week. We have seen a high of 79.80 on Monday and a low of 73.07 on Friday. This amounts to a drop of (-6.73) cents/lb this week alone. Percentage wise this figure shows a weekly loss of 8.1% which is very unusual. Market sentiments are weak as we see open Interest Dropping at 214,877 which is at its lowest level since July 2017. This volatility is completely attributed to geopolitical & economic uncertainty. The technical charts indicate that there is a high probability of cotton settling even at a figure of 70 cents/lb. However, during this Christmas week we expect lesser fluctuations in the prices.

On the Technical Front, ICE MAR futures lost the most in previous week after breaching strong support at 76 level. Meanwhile price is trading below the crucial support of 74.00 with RSI in the daily charts hovering below the 30 level (at 28.28) suggesting weakness in the market. For now, unable to move above 74 could push price further down towards next support at 72.30 levels. On the higher side 75.50 is the crucial resistance zone followed by 76.20. So in the near term price is expected to trade in the range of 76.20-72.30 with sideways to downside bias. In the domestic markets trading range for Dec future will be 20400-21200 Rs/Bale.

Currency Guide

Indian rupee has opened little changed to trade near 70.2 levels against the US dollar. Weighing on rupee is weakness in global equity market amid concerns about US partial government shutdown after officials failed to reach a deal. The partial US government shutdown could continue to Jan. 3, when the new Congress convenes and Democrats take over the House of Representatives. Concerns about US economy are also high amid disappointing GDP data and reports that US President discussed removing Fed Chairman Jerome Powell.

However, supporting rupee is weakness in crude oil price and Fed's dovish stance. Brent crude gained over 1% to trade near \$54 per barrel as OPEC members indicated that they are willing to take more measures to rebalance global market however weighing on price are demand concerns and higher US crude production. Fed last week raised interest rate in line with expectations but lowered 2019 rate hike forecast from three to two. Rupee may witness choppy trade as weaker crude price will be offset by weaker risk sentiment but overall bias is still positive. USDINR may trade in a range of 69.85-70.25 and bias may be on the downside.

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INTERNATIONAL NEWS

Made in New York: City Approves Plan to Boost Garment Center Production

Giving impetus to efforts to revive the once-vibrant New York City Garment Center, the City Council has approved a comprehensive plan to support fashion production and commercial office expansion in the Midtown Manhattan district.

With recommendations from the Garment Center Steering Committee, City Hall has created a plan to balance the fashion industry's interests with those of other industries. The new plan looks to diversify industry's in the Garment Center, where 66,000 jobs across sectors is expected to grow to 72,000 by 2021, officials noted. Although fashion office space has grown 17 percent in the past five years, 60 percent of the area's jobs are now in nonprofit, healthcare, entertainment and IP services.

The plan calls for implementing a set of targeted zoning changes and programs intended to give fashion manufacturers the long-term stability they need to maintain their presence in the historic district first developed in the 1920s. Key to these changes are removing decades-long zoning mechanism that will allow the Garment Center to be restored as a mixed-use neighborhood that includes significant office space alongside manufacturing, wholesale and showroom space.

The zoning changes lift the 1:1 preservation requirement that prevented office conversions and led to disinvestment in building infrastructure, according to the New York City Economic Development Corporation (NYCEDC). The zoning changes also include a new special permit to curb hotel development throughout the entire Special Garment Center District.

"We're preserving the city's fashion manufacturing capacity both in its traditional home in the Garment Center and with investments across the city," Mayor Bill de Blasio said. "Today's vote ensures that the Garment Center will continue to thrive as a mixed-use neighborhood."

Deputy Mayor Alicia Glen said the plan will create jobs and investment in Midtown, while stabilizing and strengthening the city's apparel manufacturing sector.

“By preserving space in the district and making resources available for manufacturers to grow outside of the district, New York City will continue to be the fashion capital of the world,” Glen said.

Additional provisions of the plan will preserve garment manufacturing space, with mechanisms including a customized tax incentive program that requires property owners to provide long-term, affordable leases for fashion manufacturers. It also has funding support for the public-private acquisition of a building to permanently house garment production.

The program has already authorized up to 200,000 square feet of fashion manufacturing to be preserved through the program, with an additional 70,000 square feet in the pipeline. Eligible properties must be located within the Garment Center Business Improvement District, which is generally defined as West 34th to 42nd Streets and Fifth to Ninth Avenues.

The NYCEDC recently released a Request for Expressions of Interest to acquire a building for dedicated garment manufacturing space in Midtown. The city has made up to \$20 million available to fund a portion of the acquisition cost of the building.

In an effort to improve and expand the workforce, the city and the Council of Fashion Designers of America will launch a \$14 million expansion of the Fashion Manufacturing Initiative. The program, which first launched in 2013, sets out to support and develop a diverse fashion production ecosystem across the five boroughs.

FMI provides grants to local production facilities to upgrade equipment and technology, offer employee skills training, hire business development consultants, make capital improvements to their facilities and cover costs of relocating within New York City. Many companies have been recipients of these grants and have been able to use the funds to maintain and expand their businesses in the city.

In addition, the Garment District Alliance has received approval from the City Council to increase its annual budget by \$2.5 million for the next 10 years. The funding increase will be dedicated to special programming to support the goal of supporting the industry in its historic home.

“New York’s fashion industry is in a vastly better position today than it was 15 months ago when the city first announced it would rezone Manhattan’s Garment Center,” said Adam Friedman, director of the Pratt Center and member of the Fashion Industry Task Force. “There is an emerging momentum to bring these strategies to fruition and we are committed to working with all the stakeholders to support the industry’s future.”

Source: sourcingjournal.com- Dec 21, 2018

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USA: The Denim Industry Inches Toward a Circular Economy as Mills Adopt Recycled Fibers

The denim industry is good at making “new” feel old. The plethora and popularity of vintage-inspired denim collections in the market can attest to that.

However, new recycled fibers and technologies are also allowing the denim industry to become increasingly good at making “old” feel and look new.

Lenzing’s Refibra technology gained momentum in 2018 as a network of global mills like Artistic Milliners, Candiani, Dynamo, Prosperity, Soorty and more, integrated fiber made from upcycled post-production cotton scraps and wood pulp sourced from certified sustainable forestry.

The fiber has been implemented into 12 retail programs with brands like Levi’s, DL1961, Kings of Indigo and Reformation.

And Lenzing is ramping up the amount of waste it’s recycling for Refibra—a request that’s coming direct from the denim market. In 2019, Lenzing will begin to offer Refibra made with 10 percent more post-industrial cotton, increasing the amount of waste recycled from 20 percent to 30 percent.

Lycra has made strides to improve performance in stretch technologies, and advance both their comfort and sustainability in denim. The company’s latest innovation, Lycra T400 with EcoMade technology, maintains the stretch, recovery and retention characteristics of Lycra T400 fiber but with a sustainable twist.

Lycra T400 with EcoMade is comprised of 68 percent sustainable fibers. Jean Hegedus, global director of Invista's denim business, explained that 50 percent of the fiber is made from recycled PET and 18 percent made from plant-based materials. Hegedus added that the fiber fits in nicely with brands that have 2020 sustainability goals to meet, and lives up to the performance standards of its popular predecessor.

Mills are also creating circular economies in their own production.

Italian denim mill Berto introduced Pianeta, a fabric made with 35 percent cotton and 65 percent cotton yarn regenerated from its own production waste.

Berto marketing director Francesca Polato explained that when the indigo dyeing process has stopped, extra dyed yarn remains on either end of the line. This unavoidable waste is transformed into a new yarn, ultimately allowing the mill to slash its water consumption. The fabric is also treated with a new finishing process that requires 85 percent less water than the standard process and reduces CO2 emissions.

Mexico-based mill Global Denim also tested a new collection of closed loop denim. The fabric is made with recycled fabrics from its own facilities.

Recycled polyester continues to be a popular component. Twin Dragon reported that it is using pre-reduced indigo liquid, adopting water- and chemical-reducing finishing processes and ramping up its use of recycled polyester in 2018. The mill is moving to 100 percent recycled polyester throughout its entire collection.

S Gene with Repreve remains a key product for Cone Denim. The stretch technology, which was upgraded with the branded recycled polyester fiber in 2017, offers brands a sustainable dual-core stretch product. Sewing thread made with Repreve from Cone's sister company, American & Efird, is poised to further enhance brands' eco stories.

Indigo Textile Ltd. takes a multi-prong approach to sustainability. In 2018 the mill bowed 100 percent recycled fabrications made with recycled cotton and polyester. The mill also rolled out Orbit, a collection of laser-friendly denim that dyes just the outer core of the yarn. The denim has the same look of denim dyed through to the center, but requires 30 percent less water.

And a truly sustainable jean considers every detail, down to the zipper tape. YKK launched its new environmentally friendly zipper called Natulon. The product is produced from recycled plastic materials, which are broken into pieces, reproduced as pellets, and finally yarn to make the sustainable zipper tape.

The trims company also presented a lyocell fiber zipper made from Tencel fiber yarn tape. The 100 percent Tencel fabric provides a smooth touch for consumers with sensitives skin, absorbs moisture and dries faster than YKK standard cotton zippers, plus it reduces the growth of bacteria.

Source: sourcingjournal.com- Dec 21, 2018

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U.S. fashion firm struggles to deal with tariffs uncertainty

Like Kevin Cheung, vice president of a New York-based clothing company, many in the U.S. fashion and apparel industry breathed a sigh of relief amid the temporary trade truce coming from the consensus reached by the presidents of the United States and China on the sidelines of the recent G20 summit.

On Dec. 1 in Buenos Aires, Argentina, the two leaders agreed not to impose new additional tariffs and to step up negotiations toward the removal of all additional tariffs, which means tariffs currently levied at 10 percent by the United States on 200 billion dollars of Chinese products will not rise to 25 percent on Jan. 1, 2019.

HARD TO SHIFT FROM CHINA

Cheung was in Paris on Sept. 24 when the 10-percent additional tariff imposed by Washington on 200 billion dollars of Chinese imports took effect. Items hit by the tariff include handbags, backpacks, luggage, hats and baseball gloves, among others.

In response, China also imposed higher tariffs on some 60 billion dollars of U.S. goods, with 5 percent increase for some items and 10 percent for the others on a list of targeted products.

The initial response of the young company manager was to cancel his birthday celebration and call his broker to see which categories would affect his business.

"It did not include apparel, so for now we're pretty safe," Cheung recalled in a recent interview with Xinhua at his office in downtown Manhattan.

Amid the tariff disputes between the two largest economies, the risk of cost escalation, however, was too high for the family business, which was started by Cheung's parents and has Chinese partners for over 20 years.

As part of his mitigation tactics, Cheung has started to diversify his company's supply base. "It is not really easy to shift from China on our side," Cheung said. "We have such a wide range of customers, we really depends on the skill level that China has offered us, and so it is not going to be easy."

No other country in the world has the infrastructure that China has, which makes it the best at producing apparel, he said, adding that apparel companies can diversify their sourcing in countries such as Vietnam and Bangladesh, but "when it comes to novelty yarns, novelty fabrics, they still import from China."

According to Cheung, the U.S. economy has a huge market for more moderate and upper moderate goods.

"The true reality is (that) China finds a way to really turn that Italian novelty original yarn into something that's acceptable to (American) customers that can only afford a T-shirt for 9.99 or 19.99 U.S. dollars, and sweaters anything from 19.99 dollars all the way to 69.99, 80.99 dollars," he noted.

"So manufacturers such as us, such as other people on Broadway, the Seventh Avenue, are all dependent on China...because the innovation (in China) is so much faster, so much steadier, so much more...compared to other countries," he said.

LINGERING UNCERTAINTIES

For now, the anxiety of Cheung and his industry counterparts over tariff hikes is put on pause, but uncertainties emanating from the trade tensions remain.

China and the United States stepped back from the brink of confrontation and sought to forge a working partnership to benefit both countries and the world, Robert Kuhn, a China expert and Chairman of Kuhn Foundation told Xinhua recently when referring to the Xi-Trump meeting on the sidelines of the G20 Argentina summit.

"No one should underestimate the difficulties of the work ahead: the structural complexities and divergent perspectives go well beyond the trade deficit. But with both presidents making a personal commitment, and both putting their personal credibility on the line so publicly, one can be justified in feeling optimistic, at least at this moment," Kuhn said.

The ability of fashion brands and retailers to respond to the tariffs is complicated since apparel and textile supply chains are complex, involving inputs from multiple countries, industry analysts said.

"It takes at least two to five years to identify and approve a new vendor, because we are a long way from the days when apparel could be made any place (where) there were workers and a sewing machine," Julie Hughes, president of the U.S. Fashion Industry Association (USFIA), told Xinhua.

"In most cases, there are no alternative sources of supply for U.S. companies," she said, calling the tariffs "the top uncertainty and risk of volatility" that USFIA members see in the economy.

"It's definitely a concern for everyone, we expect things to be resolved in a timely manner," Cheung said. After all, the relocation of factories and sourcing partners from China could potentially disrupt the U.S. fashion company's supply chains as well as affect shipping times and sourcing strategies, he added.

The U.S. imports from China add up to the largest market share of the American fashion industry -- 41 percent of all apparel, 72 percent of all footwear and 84 percent of all accessories come from China, according to the American Apparel and Footwear Association (AAFA), the national trade association representing more than 1,000 brands in the industry.

Stephen Lamar, AAFA executive vice president, also called uncertainty "the watch word right now," saying "finding ways to eliminate that uncertainty is 'job Number One.'"

"The uncertainty that has been created with the threat of tariffs is almost as troubling to markets as actual tariffs," wrote Gail W. Strickler, president of global trade for Brookfield Associates, LLC., in an article carried by sourcingjournal.com on Dec. 11.

Imports at the U.S. major retail container ports have set another new record in October, reaching 2 million containers in a single month for the first time as retailers continued to bring merchandise into the country ahead of a now-postponed increase in tariffs on goods from China, according to the monthly Global Port Tracker report released on Dec. 7 by the U.S. National Retail Federation and leading consulting firm Hackett Associates.

Source: ecns.cn- Dec 23, 2018

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US to enhance trade with Bangladesh

The US is seeking to boost bilateral business with Bangladesh over the next three years. The value of two-way trade is over \$7.47 billion. Trade is projected to be even higher in future between the two countries in the days to come.

The US is the single largest export destination for Bangladesh, the bulk of which is covered by apparel products. Apparel is 16 per cent of Bangladesh's exports to the United States. The country's export earnings are 2.3 per cent higher than last year. The main export are woven garments followed by knitwear products and home textiles and caps. The US procures over 25 per cent of Bangladesh's woven products, nine per cent of knitwear and 18 per cent of home textile products.

Until October, Bangladesh's apparel exports to the US rose 31 per cent over last year. During July to October, earnings from wovens rose 24 per cent. Earnings from knitwear exports saw a gain of eight per cent. This gain can be attributed to two major factors: global shift in sourcing strategy, which is commonly known as China plus sourcing strategy, and increasing work orders due the ongoing trade war between the US and China.

Source: fashionatingworld.com- Dec 22, 2018

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Polyster prices stabilize in China

Prices of polyester industrial yarn have gradually stabilized in China. Prices edged up in January to October 2018, hitting a five-year high.

Operating rate of PIY plants was relatively stable in 2018, with a low level appearing during the spring festival on a turnaround and peaking in January to August.

The operating rate change was mainly due to the turnaround in some mainstream big units like Guxiandao and Unifull.

Many plants have added capacity or plan to expand capacity. If the new capacity in 2019-2020 starts operation as scheduled, the downstream market may need at least eight years to consume the excess capacity.

Huaya has increased production to 250 mt a day. The new products focus on conventional coarse deniers like 3000D. Taizhou Sanwei's new unit is scheduled to begin operation in the first half of 2019.

The on-spec goods are conservatively anticipated to appear in August, which may have limited influence on the actual production in 2019. Hengli's new plant has been delayed for many years.

Billion plans to add new textile filament and PIY capacity in two years.

The production chain of most PIY plants is relatively short, with hardly any supporting unit of the industrial chain, especially upstream equipment. Most PIY plants are medium-to-small sized units, not even having a PET fiber chip equipment.

Source: fashionatingworld.com- Dec 22, 2018

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China mulls new foreign investment law

China's legislature is considering a new law governing foreign investment that will streamline existing rules and prevent the forced transfer of technology, state media reported Sunday.

The new "unified law" will replace three existing laws on Chinese and foreign equity joint ventures, non-equity joint ventures and wholly foreign-owned enterprises, the official Xinhua news agency reported.

A draft of the proposed legislation was presented at a meeting of the Standing Committee of the National People's Congress (NPC) which began Sunday.

When in place, the new law would bar local governments from restricting market access for foreign firms and from forcing them to transfer technology.

This will ensure foreign investors would enjoy the same privileges as Chinese companies in most sectors except those excluded on a "negative list".

US and EU officials have long complained of a lack of fair access for foreign companies in China, as well as rampant theft of intellectual property.

"In order to further expand opening up, actively promote foreign investment, protect the legitimate rights and interests of foreign investment, and promote the formation of a new pattern of comprehensive opening, the State Council has proposed a bill," the Standing Committee said in a statement about the meeting posted on the NPC website.

The moves signal China's increased support for the economy as a bruising trade war with the US has stymied growth.

Top policymakers on Friday pledged support with tax cuts and other policy measures including further opening the economy and better protection of intellectual property rights.

Economic data has shown China's economy slowing this autumn, with Chinese consumer spending growing at its slowest pace in 15 years during November and factories easing up on production.

Chinese President Xi Jinping and US President Donald Trump agreed to a 90-day tariff truce this month, as the two sides try to find a more permanent solution to the trade dispute.

Senior officials from both countries had a phone conversation on Friday and "made new progress" on several issues including trade balance and strengthening intellectual property protection, China's commerce ministry said in a statement Sunday.

The meetings of the Standing Committee of the National People's Congress, a powerful body of lawmakers headed by top legislator Li Zhanshu, run until Saturday.

Source: economictimes.com- Dec 23, 2018

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Pakistan: Textile's martyr complex

The Imran Khan government expects the reduction in energy prices for textile companies and the currency devaluation to help boost the country's stagnant exports, control the current account deficit and ease pressure on the rupee. But will this do the trick?

"Reduced gas prices and currency depreciation will have a positive impact on textile and clothing exports; it should stop further rot. But there is only so much it can do," argues M.I. Khurram, one of the top knitwear exporters from Lahore.

Indeed, he says, these measures will improve exporters' competitiveness — particularly the ones from Punjab — who have lost out to regional rivals like Bangladesh, Vietnam and India in recent years because of high energy prices, power and gas cuts, and an expensive exchange rate.

"But the industry needs more support to push value addition and investment in new technology and capacity, if it wants to boost textile exports. Unless we increase our exports we cannot control our current account gap or stabilise currency," Mr Khurram adds.

Pakistan has lost substantial market share to countries like Bangladesh and Vietnam during the last decade or so, and its terms of trade have deteriorated.

World Bank data shows Pakistan's overseas textile shipments grew by 27 per cent during 2005 to 2016. On the other hand Bangladesh increased its sales by 276pc and Vietnam by 445pc in the same period. Both the countries do not produce cotton.

“Textile exports are likely to post only single-digit growth in the medium-term,” a stock market analyst from Karachi said. “Global slowdown in demand and pricing pressures will also keep textile exports subdued because we typically sell yarn, fabric and low-end garments to the world.”

The country's textile and clothing exports remained flat at \$5.5 billion during the first five months of the present financial year to November, according to the Pakistan Bureau of Statistics (PBS).

Apart from knitwear exports that rose by around 11pc, no other segment performed with low value-added products registering a decline and value-added posting marginal growth. Only knitwear exports picked up by a respectable 11pc.

Pakistan Textile Exporters Association (PTEA) leader Ahmed Kamal says the change in gas price for the textile industry and currency devaluation have improved competitiveness of textile and clothing exports from 3pc to 8pc depending on the quantity of value addition, but the impact on the country's overseas shipments will start appearing in six months.

“The textile business is seasonal and limited to a small number of customers. It is not that the foreign customers will immediately come running to you, placing future orders. It will take at least six months before we see any substantial increase in our shipments,” he said.

The government — which has sought financial assistance from countries like Saudi Arabia, China and UAE, and is negotiating a new bailout loan package with the International Monetary Fund (IMF) — has repeatedly pledged to boost the country's exports as a way of permanently addressing the periodic recurrence of the balance of payments crisis.

In spite of reduction in RLNG price from around \$12.5-13mmbtu to \$6.5mmbtu for the five zero-rated industries in Punjab, factory owners say the rupee devaluation will keep their prices higher than the average regional energy cost.

“The decision to link our energy bill with the dollar rate will keep our costs higher than our regional competitors, the subsidy on imported gas notwithstanding.

A dollar-based gas tariff for the industry from Punjab means we still cannot compete with our counterparts from Karachi let alone our competitors from the region,” argues a textile exporter from Lahore who refused to give his name.

The government has also proposed to cut electricity tariff for the export industry to 0.075 a unit.

Moreover, the industry wants the government to release their tax and export subsidy refunds of over Rs113bn to ease pressure on exporters’ liquidity, withdraw upfront incidentals on imported cotton and polyester fibre to meet raw material requirements in view of falling cotton output and yield, stop smuggling and informal import of textile into the country, and extend subsidised loans to indirect exporters for new investment in the supply chain.

“Bangladesh and Vietnam have made progress because their governments support and subsidise their textile exports. We also need similar support from the government,” insisted Mr Kamal.

“In 2005-2007 Pakistan was one of the leaders in textile trade. But then energy shortages took over and many large exporters were bankrupted (because the government preferred other sectors over the export industry when it came to sharing gas and power),” he stated.

He agreed that the reduced prices of imported gas has improved the playing field for the industry but said a lot more needs to be done.

“First you give a level playing field and then you address other issues like policy consistency and marketing. Buyers don’t come to a country where policies can change overnight. We need to assure them that whatever policies

we are implementing will be for the long-term so that they can plan their future orders from Pakistan.

“The government also needs to invite 20-30 top American and European brands to market our products and convince them to open buying houses in Pakistan. There are 200 buying houses in Bangladesh. We have none.”

Source: dawn.com- Dec 24, 2018

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Pakistan: 15 million bales cotton target: KCA hails PM’s directives about cotton production

The Karachi Cotton Association (KCA) has welcomed the directives issued by the Prime Minister of Pakistan to the Ministry of National Food Security and Research to take measures to achieve the production target of 15.00 million bales of cotton and set-up a working group to revamp existing, Seed Registration institutes to bring improvement in their outputs.

The KCA is of the view that Pakistan has a great potential to increase cotton production by 'taking concrete and' effective measures in right direction by the Government

The KCA is also of the view that there is a dire need to increase cotton production up to 200 million bales o meet the rising requirement of local textile industry and leave adequate surplus for export to earn much needed foreign exchange for the country as due to devastating cotton crop failure in cotton season 2015-16 'and shortfall in cotton crop 2016-17 and 2017-18 seasons the local textile mills were compelled to impact raw cotton from abroad to meet their requirements of basic raw material.

Source: fp.brecorder.com- Dec 23, 2018

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Bangladesh manufacturers making a mark with suits and blazers

Bangladesh's readymade garment industry has forayed into a few new areas of late. The country has been exporting winter wear to West for around 30 years.

Eighty per cent of the products made by the country's export-oriented apparel factories were for long limited to traditional items like blankets and sweaters generally made of cotton.

Germany tops the countries that import large volumes of winter clothes from Bangladesh. Others are Europe, the US and Australia.

Suits and blazers are major exports. Manufacturers find them as highly promising value-added products.

Apart from traditional readymade garment makers, specialised tailoring houses are now engaged in making suits and blazers for exports.

Still at a nascent stage, suit-blazer factories are at present dominated by five or six houses. One of them is capable of shipping readymade suits worth \$26 million a year.

It aims to export suits and blazers worth \$100 million by 2021.

Orders from industrialised countries like the UK, the US, Japan and Germany continue to pour in.

Great prospects notwithstanding suit manufacturing sector is plagued by a lot of drawbacks. The most glaring is the lack of skilled hands and required technology.

Source: fashionatingworld.com- Dec 22, 2018

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Sri Lanka's October trade gap widens, tea, garment exports down

Sri Lanka's trade deficit widened significantly in October 2018 to 903 billion US dollars from 752 million dollars a year ago owing to higher growth in imports alongside a marginal growth in exports, the central bank said.

“However, it is expected that the trend of increasing imports will reduce in the coming months with the lagged impact of recently introduced restrictions on certain import categories,” a statement said.

Earnings from merchandise exports increased by 0.4 per cent year-on-year to 979 million US dollars in October 2018.

“The marginal growth of exports in October reflects mainly the decline in agricultural exports by 11.5 per cent which offset the 4.5 per cent growth of industrial exports.”

Export earnings from textiles and garments increased marginally in October 2018 due to higher earnings from textile exports despite the slight decline registered in garment exports.

“The reduced earnings from garment exports was mainly driven by the lower demand from the USA, despite an increase in exports to the EU market and non-traditional markets such as India, Canada, Japan and Hong Kong,” the central bank said.

Earnings from agricultural exports were lower during the month owing to the poor performance in almost all sub categories except seafood, vegetables and rubber.

Export earnings from tea declined in October 2018 owing to lower average export prices and exported volumes.

Spending on merchandise imports increased by 9.0 per cent year-on-year to 1,882million US dollars in October 2018.

Expenditure on intermediate goods increased due to higher imports of textiles and textile articles, fuel and wheat and maize imports.

Import expenditure on consumer goods increased during the month owing to higher imports of personal motor cars less than 1,500 cylinder capacity (cc), hybrid and electric motor vehicles.

“However, it is expected that the importation of motor vehicles would decelerate in the coming months reflecting the lagged impact on such imports of the policy measures introduced in September 2018,” the statement said.

Source: economynext.com- Dec 22, 2018

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Vietnam: Yarns, fabrics to be imported duty free from India from 2019

Most types of yarn and woven and knitted fabrics originating from India will be exempt from customs duties in Vietnam from January 1, 2019, under the ASEAN – India Trade in Goods Agreement (AITIDA).

India is among the world’s major exporters of high-quality textile raw materials and machinery at competitive prices, said President of the Ho Chi Minh City Association of Garment, Textile, Embroidery and Knitting Nguyen Xuan Hong.

Many Vietnamese textile and garment firms are exploring the gigantic market of 1.3 billion people in India by investing in manufacturing yarn, fabrics, ready-made garments and more, he noted.

Meanwhile, Vietnam has become an appealing destination for Indian investors largely due to competitive labour costs and preferential policies for the textile and garment industry.

Vietnam has helped Indian textile and garment manufacturers up production sites in the country to take full advantage of trade deals Vietnam has signed.

Vietnam Customs statistics show that in the first eight months of 2018, garment and textile trade between Vietnam and India reached 799 million USD, up 35 percent from the same period last year.

Vietnam's imports of Indian cotton were valued at 343.8 million USD, up 46 percent against the previous year, while the country's exports of garment and textile products hit 203 million USD, up 20 percent.

The two countries' bilateral trade in textiles has registered impressive growth during the last two years, according to the Indian Consulate General in Ho Chi Minh City.

Vietnam – India trade hit 7.62 billion USD last year and is expected to reach nearly 10 billion USD by the end of this year, up 47 percent year on year.

Source: en.vietnamplus.vn- Dec 21, 2018

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Vietnam: FDI firms expand in local textile-garment sector

Việt Nam had become increasingly appealing to large foreign investor groups in the textile and garment industry who wanted to seize opportunities when the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) takes effect in January next year, according to analysts.

German-based Amann Group, one of the world's top three leading producers of high-quality sewing and embroidery thread, is expanding its network to Việt Nam with a new factory being constructed in Tam Thăng Industrial Park in the central province of Quảng Nam.

The new facility will be added to Amann's existing network of factories in various countries across Asia, including Bangladesh, China, India and Indonesia. At the new production site, the group will produce around 2,300 tonnes of sewing thread per year, mainly for the manufacture of apparel and shoes.

The first phase of the project is scheduled to commence in late July next year.

Kraig Biocraft Laboratories Inc, the US' leading developer of spider silk-based yarn, is working with agricultural co-operatives in Quảng Nam to expand mulberry production and develop high-quality silk in Việt Nam.

The firm plans to set up a centre for research and development (R&D) of silk, as well as grow about 2,500ha of mulberry to support spider silk in the country.

According to Kraig Biocraft Laboratories, Việt Nam had been chosen to scale up its spider silk commercialisation efforts as one of the firm's strategic moves to expand.

The domino effect created by FDI expansion in the textile and garment sector has also led to an increase in the number of foreign suppliers of machinery and equipment for the industry.

In June, ILLIES Vietnam – a member of the German C. ILLIES & Co and also a leading distributor of industrial textiles machinery and equipment – announced it had expanded its portfolio in the spinning sector. It now provides machines and spare parts for short-staple yarn-spinning systems for the Rieter Group and the local textile market.

In the first quarter of 2019, the company will open a repair centre for mechanical and electrical parts of Rieter machines.

So far this year, the Việt Nam Textile and Apparel Association (VITAS) had welcomed many foreign textile and garment producers visiting to explore investment opportunities, said VITAS vice chairman Trương Văn Cẩm. More FDI projects would arrive in the country's textiles sector in the coming years, Cẩm added.

Once new-generation free trade agreements (FTA), like the CPTPP and the EU-Việt Nam FTA (EVFTA), entered into force, investment in the textile and garment industry will increase, offering a great opportunity for machinery suppliers like Rieter, said a representative from ILLIES Vietnam.

Statistics from VITAS showed that a total of nearly US\$15.9 billion in FDI had been injected into more than 2,090 textile and garment projects in Việt Nam by the end of last year. In the first half of 2018, the industry attracted another \$2.8 billion in FDI.

\$18 billion trade surplus

The country is now among the leading exporters of textile and garments in Asia. Việt Nam's total textile and garment exports have experienced a 3.6-fold increase over the past decade, from \$7.78 billion in 2007 to \$31 billion in 2017. Last year's figure represented 16 per cent of the nation's total export revenue.

The domestic textile and garment industry is expected to gain a trade surplus of \$18 billion this year, according to an official report from VITAS. VITAS Chairman Vũ Đức Giang said the sector was estimated to earn \$36 billion from exports this year, a year-on-year increase of about 16 per cent.

Giang said that many enterprises had been working on completing a textile and garment supply chain.

Next year, the textile and garment industry has set a target of \$40 billion in export value, a year on year increase of 10.8 per cent, and a trade surplus of \$20 billion.

To reach the target of \$40 billion, the association has recommended enterprises focus on investment, markets, human resources and the application of scientific and technological advances.

The Government and relevant State agencies needed to continue administrative reforms and inspections while removing difficulties for enterprises in 2019, Giang said. The association needed to connect enterprises and markets at home and abroad by increasing trade promotions, he said.

The State should only grant investment licences to projects with large investments, advanced technology and wastewater treatment systems to meet the requirements of free trade agreements such as CPTPP and EVFTA.

The association has asked the National Assembly to adopt the Law on Association to allow foreign-owned enterprises to become association members so they can co-ordinate with local enterprises to set up supply chains and exchange experiences in production and business between local and foreign companies.

Source: vietnamplus.vn- Dec 24, 2018

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NATIONAL NEWS

Maharashtra lures textile units facing in problems from Karnataka, TN

State seeks make Solapur a major textile hub, is holding three-day fair in Bengaluru to rope in investors, offers cheaper power to units set up on its territory

Maharashtra is capitalising on the problems faced by textile chains in Karnataka and Tamil Nadu, by inviting them to invest in its domain. Textile units have been reeling under the impact of power cuts and frequent queries from the pollution control boards in the two southern states.

Maharashtra's textile minister Subhash Deshmukh urged units to invest in the state, to enable the state government to make Solapur a uniform and textile hub. In order to intensify the appeal, the state government is organizing a three-day Uniform, Garment and Fabric Manufacturers Fair in Bengaluru between January 8 and 10, 2019.

Since its launch nearly three years ago, nearly 400 textile units have been set up in the Solapur textile hub, which the government of Maharashtra plans to raise to 2,000 by 2022.

“Our move is to give an equal opportunity to all stakeholders from the textiles industry to become part of it. All types of uniforms; be it school, industrial, hospital, work wear or hotel staff wear, will be made available under one roof at the venue.

The fair will see brands, retailers, dealers, manufacturers, wholesalers, retail chains, semi wholesalers, traders, distributors, e-commerce agents, retail chains participating in the Fair in large numbers.

Solapur has the unique distinction of being the country's centre for the high-quality uniforms and allied garments,” said Deshmukh.

In its new textile policy, the Maharashtra government announced a power tariff of Rs 3 per unit for co-operative cotton mills and Rs 2 per unit for power looms, cloth processing, and garment and hosiery units in the state.

In an initiative to promote processing of cotton, silk and other raw material used in traditional and man-made textiles, Maharashtra intends to invest as much as Rs 46.49 billion between 2018 and 23, under various schemes to be implemented under its “Fibre to Fashion” mission. The state aims to generate 1 million jobs by 2023.

Source: business-standard.com- Dec 23, 2018

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India’s T-shirts exports in Q2 declined across all countries

Export of knit T-shirts by India registered an export value of \$570.17 million in Q2 FY 18-19. This is a 9.62 per cent decline over the previous quarter. This trend of falling exports is an indication for exporters to move towards more value added apparel exports, rather than competing with countries like Bangladesh.

The dip countrywise

USA:

In Q2 FY 18-19, India’s exports of knit T-shirts to the US declined 13.50 per cent to \$126.52 million. Export of cotton T-shirts declined by 10.80 per cent while those of T-shirts made from other fibers declined by 19.32 per cent.

Nigeria:

Nigeria’s total knit T-shirts imports from India were valued at \$ 23.27 million in Q2 with growth of 43.11 per cent over the previous quarter. India exported T-shirts made of cotton and other textile fibers. Cotton T-shirts exports totaled \$17.31 million whereas T-shirts made from other fibers totaled \$5.95 million.

U.A.E.:

India’s exports of knit T-shirts to UAE were worth \$136.88 million in Q2 FY 17-18, a drastic fall of 40.76 per cent. Exports of cotton T-shirts totaled to Indias T shirts exports in Q2 declined across all countries 001 \$43.69 million, a fall of 14.25 per cent in Q2 FY 18-19 over the previous quarter.

Exports of T-shirts made of other fibers totaled to \$24.45 million with a negative growth of 4.49 per cent over the previous quarter.

Germany:

India's knitted T-shirts exports to Germany totaled to \$53.51 million in Q2 FY 18-19 with negative growth of 3.50 per cent over the previous quarter. Cotton knitted T-shirts rule the basket with an export value of \$37.99 million. T-shirts made of other fibers perceived a positive growth of 12.07 per cent to \$13.18 million in Q2 FY 18-19.

UK:

United Kingdom's knitted T-shirts imports from India witnessed a fall of 12.22per cent in the Q2 FY 18-19 to \$40.44 million. Cotton T-shirts exports dropped 14.81per cent to \$31.13 million. T-shirts made of other fiber were exported to the UK with a value of \$7.45 million, growth of 1.78per cent.

France:

Exports to France totaled to \$26.41 million in Q2 FY 18-19. Cotton T-shirts exports dropped 41.77per cent in the Q2 over the previous quarter, with exports totaling to \$20.26 million.

South Africa:

India's knitted T-shirts exports to South Africa have improved by 48.90 per cent over the previous quarter in the Q2. India exported only T-shirts made of cotton, synthetic fibers and other fibers to South Africa. Out of which T-shirts made of other fibers dropped by 33.46per cent, totaling to \$3.5 million. Cotton T-shirts exports totaled to \$19.61 million in Q2 FY 18-19 with a growth of 87.30per cent over the previous quarter.

The Netherlands:

Knitted T-shirts exports to the Netherlands too dropped by 42.03 per cent to \$17.97 million in Q2 in FY 18-19 over the previous quarter. Cotton T-shirts exports totaled \$11.4 million and T-shirts made of other fibers was \$5.29 million in the Q2 FY 18-19.

Italy:

India's knitted T-shirts exports to Italy dropped in the Q2 FY 18-19 over the previous quarter by 12.85. Exports value totaled \$11.26 million in Q2 FY 18-19. Cotton T-shirts exports dropped 10.20 per cent over the previous quarter, while T-shirts made of other fibers dropped 25.79 per cent.

Source: fashionatingworld.com- Dec 23, 2018

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India's textiles sector needs 17 million additional workforce by 2022, says government

The country's textiles sector, which currently employs over 45 million people, will require 17 million additional workforce by 2022, the government said Thursday.

The textiles ministry said in the last four years, 8.58 lakh persons have been trained in partnership with 58 government and industry partners to meet the sector's need for a skilled workforce.

The ministry said its strategy to boost exports involves diversification of markets, positioning India in value chain and promoting collaborative exports.

Towards diversification of textiles exports, 12 markets in Vietnam, Indonesia, South Korea, Australia, Egypt, turkey, Saudi Arabia, Russia, Brazil, Chile, Columbia and Peru have been identified.

The ministry said it also plans to pursue strategic engagement with Bangladesh and Sri Lanka on the Fabric-Forward Policy.

Source: financialexpress.com- Dec 21, 2018

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Preparing agenda for WTO; likely to be discussed in Davos, says Suresh Prabhu

India is preparing an agenda for the World Trade Organization (WTO) by taking on board the views of developed as well as developing countries, which is expected to be discussed in Davos, Commerce and Industry Minister Suresh Prabhu said. Key trade ministers from countries including from India would meet next month on the sidelines of the World Economic Forum Summit at Davos to discuss the road ahead for the WTO.

“We are in the process of preparing an agenda for WTO, which will be acceptable to most of the countries, and which will take on board the views of developing and developed countries,” Prabhu told PTI. “We (key trade ministers) are meeting on the sidelines of Davos for mini-ministerial on WTO, where we would like to present this proposal,” he added.

The move assumes significance in the backdrop of growing protectionism in the global trade. Several countries are raising customs duties to protect their industry. Duty hike by the US on certain steel and aluminium products has triggered a trade war kind of situation.

The rich nations are forming groupings to prepare ground for pushing new issues such as investment facilitation, preparing rules for e-commerce, promoting gender equality and reducing subsidy on fisheries. India has been keenly pushing agricultural issues at the WTO. It has also been raising its voice against bringing new issues, especially those which are not directly linked to trade, to the negotiating table.

The talks at the WTO’s 11th ministerial conference collapsed after the US went back on its commitment to find a permanent solution to the public food stockholding issue, a key matter for India. The four-day conference in Argentina, which ended without a ministerial declaration or any substantive outcome, did manage to make feeble progress on fisheries and e-commerce by agreeing to work programmes.

Source: financialexpress.com- Dec 23, 2018

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We see India as a global leader: US

The Acting Deputy Assistant Secretary of State for South Asia, David Ranz said that the United States sees India as a global leader.

In an exclusive statement given to ANI, Ranz said, "We see India as a global leader. And as a global leader, we welcome India's broader engagement beyond its region. That is one of the reasons why we are enthusiastic about the trilateral and quadrilateral collaboration with India, Japan, and Australia, because we see those as good opportunities for coordinating policy, particularly in the Indo-Pacific."

Supporting support India's emergence as a net security provider in the Indo-Pacific, Ranz stated that US' coordination with India is extensive and it is growing.

When quizzed about the crisis which ensued in the south-Asian nations of Sri Lanka and the Maldives, the Acting Deputy Assistant Secretary of State said, "Specifically on Sri Lanka and Maldives, we have closely coordinated with the Indian government. I have personally been in close touch with my Indian counterparts both here and in New Delhi. So we have been very careful to make sure that we are aligned in how we approach these issues."

Earlier this week, the US had welcomed "reinvigorating" ties between India and the Maldives, underscoring the convergence of India's and the USA's views on the Maldives' "critical role in the security of the Indo-Pacific".

Ranz further stated that it is difficult to be on the same page with the allies 100 per cent, however, when it comes to being vocal in the region against China, the US is closely aligned with India.

"With any partner, and this includes the UK, France, Australia, we are never going to be 100 per cent aligned. The ideal situation is that you share your views and coordinate and take each other's views into consideration in making your own policy.

If you can reach a consensus on how to approach things and work closely together, that's great. If you disagree in certain ways, then you figure out a way to reconcile those disagreements. But on these issues, we were very closely aligned with India and work very closely with them," Ranz asserted.

Source: business-standard.com- Dec 22, 2018

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Commerce ministry working on logistics portal to prune massive costs

The logistics division of the ministry has been mandated to reduce the country's logistics cost, currently at a staggering 14% of the GDP

In a bid to cut India's massive logistics costs, the commerce department is arming itself with a national digital tool to map logistics bottlenecks, freight movements and even toll congestions, along with a logistics portal where businesses can procure and sell services.

The logistics division of the ministry, set up in July 2017, has been mandated to reduce the country's logistics cost, currently at a staggering 14 per cent of the GDP.

Both the portal as well as the associated digital tool will help boost logistics infrastructure, optimise processes and aid in monitoring and tracing, N Sivasailam, special secretary at the logistics division, said.

A formal request for a proposal will be published by January for the creation and maintenance of the portal and the product itself will be launched in a couple of months, he said on Friday. The data tool will combine data from a wide range of sectors, mapping industrial clusters and infrastructure like highways, railway lines, and waterways. It will also collect trade data from major ports and compute the logistics flow of major commodities such as coal, steel and cement.

The overarching objective is to build a comprehensive costing model so that businesses can decide the optimal use of their resources while transferring goods. "This will allow us to inform businesses whether road or rail is better for moving a particular commodity in a particular part of the country or for finding how far a village is to the main arterial road through which goods are shipped," an official said.

It will also give data to map congestions on major highways or the average speed of delivering goods through a particular toll.

One of the unconventional usages of the tool will be to map corruption at the ground level, whereby truckers can use an app to inform the government whether police manning toll booths are charging bribes for passage.

Data for these purposes may be taken from the existing databases of other ministries like shipping, road transport, information technology and the commerce department apart from agencies such as Indian Space Research Organisation. The logistics division will also tap into the public domain data of Google as well as those agregators and entities which legally sell data, officials said.

Source: business-standard.com- Dec 22, 2018

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Indian firm to set up \$40 million textile plant in Bulawayo

One of India's biggest and international acclaimed textile firms Shreejikrupa Spinners is considering investing over \$40 million towards setting up a plant in Bulawayo soon.

Industry and Commerce Deputy Minister Raj Modi told Sunday News Business that the Indian had shown interest in setting up a polyester manufacturing plant in Bulawayo. This comes after his successful business tour of the Asian country two weeks ago.

"I can confirm that Shreejikrupa Spinners has indicated intention to come and set up a polyester plant here in Bulawayo whereby the company will come with the latest technology of recycling plastic into polyester," he said.

A number of textile players in most developed countries have resorted to recycling plastic bottles into soft polyester thread to make eco-friendly clothing.

Plastic bottles are made of polyethylene (PET), a form of polyester that is mostly associated with a fabric used in clothing and interiors. However, both are actually polymers, a derivative of fossil fuels.

The fabric made out of the PET fibre is basically polypropylene and it is ten times stronger than a normal polyester fabric.

"The company officials expressed interest to come for feasibility studies as early as next month thus they are only waiting for us to give us the nod to visit the country. If they are satisfied with the prospects of recouping their investment they are likely to pour in as much as over \$40 million into the project," said Dep Minister Modi.

He said the project was expected to play a massive impact in the revival of Bulawayo's industry and contribute immensely to the country's economic turnaround efforts.

"The project will obviously benefit Bulawayo immensely in terms of employment creation, not only from it but downstream industries as well. It will obviously fill the massive void of unemployment, which has been accelerated by the effects of de-industrialisation. On the other hand the investor we are talking about has big capacity to fulfil the local demand for polyester because at the moment we are relying on imports," said Dep Minister Modi.

Prospects of Shreejikrupa Spinners setting up a plant in Bulawayo are high in light of the fact that the Government has designated the city as the beef and leather value chain and textiles and clothing Special Economic Zone (SEZ).

By their nature SEZs are attractive to foreign investors as they cover a broad range of economic activities, such as free trade zones, export-processing zones, industrial parks, economic and technology development zones, high-tech zones, science and innovation parks, free ports, enterprise zones, and others.

The country's textile industry has over the past two decades been at its lowest ebb.

Zimbabwe Clothing Manufacturers Association chairperson Mr Jeremy Youmans said the country's textile sector was still reeling under a myriad of challenges with the revival of most of the companies uncertain.

"The textile sector continues to struggle with no end in sight of the revival of David Whitehead and Kadoma Textiles constrained in its range of goods and quantity it can supply. The clothing sector can take all of this output many

times over, but has to import the 90 percent of fabrics required which are not made in Zimbabwe.

There is hope that Merlin in Bulawayo will succeed in getting up and running and they are intending to make poly cotton fabrics, which will fill a big gap in the market. As a (clothing) sector, we continue to support the textile mills as best as we can," said Mr Youmans.

Shreejikrupa Spinners is a fast growing company headquartered in Rajpipla with a textile division, producing a range of products, and a global trading. Established in 2011 as a textile spinning plant with 28 000 spindles in Amletha Village, Rajpipla, Shreejikrupa has grown from strength to strength from its humble beginnings, with steady growth in its textile division and a constant outlook of diversifying its operation.

The company offers a wide assortment of products that includes surgical cotton, sewing thread, slub yarn, citra yarn, knitting yarn, mélange yarn, weaving yarn and multifilament twisted yarn.

Source bulawayo24.com- Dec 23, 2018

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Arvind, JCB India join hands for industrial uniforms

Textile and apparel player Arvind Ltd Friday said it has inked a pact with JCB India to introduce ready-to-wear industrial uniforms.

As per the partnership, the product range will be made available through Arvind and JCB India's distribution network and point-of-sale locations across the country.

"Extending textile manufacturing beyond fashion and into areas like safety and protection is one of the areas we are focusing on," Arvind CEO - Advanced Materials Division and Arvind Envisol Ashish Kumar said in a statement.

The partnership will leverage JCB India's market presence with Arvind's textile manufacturing capabilities to provide industrial wear that will meet the highest standards of safety and protection, he added.

Arvind will complement JCB India's safety shoes business with its product basket, including coveralls, dungarees, rainwear, and balaclavas. These products are fire-resistant, chemical-resistant, and shock-resistant.

"In India's rapidly growing occupational safety and health market, we look forward to working together to create a market presence for value-added protective wear and personal protective equipment," JCB India MD and CEO Vipin Sondhi said.

Source: business-standard.com- Dec 21, 2018

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Cotton production hit by unseasonal rains

Cotton production has declined drastically due to extreme weather patterns at the stage of flowering. Heavy rains caused damage to crops, resulting in production declining.

Cotton farmers, who were jubilant at the Centre declaring higher minimum support price for cotton, were disheartened with the rains damaging the crops.

In one month between June and August an average of 1,035.6 mm rainfall was recorded as against the normal of 744.5 mm. Cotton crop in Adilabad district was sown in 3,48,237 acres and the production was expected to be around 25,90,715 quintals during this season. In the district, Boath, Echoda, Indravelli and Jainath market yards, cotton purchases did not exceed 5.76 lakhs quintals so far.

in August due to the heavy rains cotton crop was severely damaged and the yield dropped by 50 per cent. The average yield of cotton is 10 quintals an acre. But the yield declined by half. Cotton growers are always at a disadvantage and suffer losses.

Last year cotton production was good but lack of support price (Rs.4320) farmers were in loses. And now this year support price is good at Rs.5,450 but the production declined by 50 percent. As a result of which, the farmers may not be able recover even investment.

Cotton grower Raja Reddy in Sitagondi village under Gudihathnoor mandal said the yield had declined to 4 to 5 quintals this year when compared to 7 to 8 quintals per acre last year.

G Naveen Reddy of Echoda mandal said he had invested Rs10,000 per acre. But the yield had declined due to unseasonal rains. Adilabad market yard procured 10,68,923 quintals and now in this season 4,80,588 quintals were procured so far.

Source: thehansindia.com- Dec 22, 2018

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Arvind launches garmenting facility in Jharkhand

Textile firm Arvind Ltd Sunday announced the launch of its green-field garmenting facility in Ranchi, set up with an investment of Rs 300 crore.

This facility will add capacity of 16 million garments annually to the company's current garmenting operations and generate additional revenues of Rs 700 crore, it said in a statement.

Jharkhand Chief Minister Raghubar Das, who inaugurated the plant, said the state is poised to become a large garmenting hub. The state government, through the new garment policy, is looking to create 2 lakh jobs and will continue to provide support for all initiatives towards fulfilment of this goal, he added.

Arvind Ltd Executive Director Kulin Lalbhai said the company is aiming to convert 50 per cent of its fabric into garments over the next five years from the current capacity of 10 per cent.

"We believe Jharkhand will play a significant role in achieving this target," he added.

The company has charted out an investment of Rs 500 crore per annum for the next four to five years and aims to double revenue from its textile business to Rs 12,000 crore.

"This launch is part of capacity expansion strategy where Arvind will be developing three large garment clusters in Jharkhand, Gujarat and Andhra Pradesh. Each of these clusters will employ nearly 10,000 workers," the company said.

Arvind currently employs over 45,000 people and once these clusters are fully operational at optimum capacity, the employment numbers are expected to more than double, the company said.

Source: timesofindia.com- Dec 23, 2018

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