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US 71.64 | EUR 78.99 | GBP 92.05| JPY 0.66

Cotton Market

Spot Price - Shankar 6 (Ex. Gin), 28.50-29 mm

Rs./Bale	Rs./Candy	USD Cent/lb
19234	40200	**71.48**

Domestic Futures Price (Ex. Warehouse Rajkot), December

Rs./Bale	Rs./Candy	USD Cent/lb
19170	40065	**71.24**

International Futures Price

NY ICE USD Cents/lb (March 2020)	64.85
ZCE Cotton: Yuan/MT (January 2020)	12,730
ZCE Cotton: USD Cents/lb	82.03
Cotlook A Index – Physical	**73.25**

Cotton Guide: Comprehend the situation of Cotton:

Unusual rainfall pattern this year in India has made many things very unusual. Some of the pockets rain witnessed until 1st week of November. There are positives and negatives for many crops and here our focus is on Cotton.

Positive:

1. More and Good crop expected this year under Cotton.

2. Estimates suggest crop size of around 35.50 million bales.

3. Almost 2.80 million bales of Cotton have been already arrived which is around 8% of the expected Crop number and higher than the last year same period.

4. Due to lower price the only option left is exporting Cotton. Indian S-6 1 5/32 offered at 400-500 points on [on] March ICE.

Negative:

1. High moisture content of around 15%, making the purchase/sell almost impossible.

2. Growers/ Farmers are selling Cotton to ginner much lower than the set MSP.

3. Ginners are facing difficulties in selling Cotton despite classing and drying amid poor color and higher moisture content above 10%

4. Due to higher Moisture, CCI has remained relatively inactive in buying cotton at MSP.

5. The situation is bit tough. The domestic factors like excess supply-production, high moisture content crop is likely to keep cotton price under stress. Mills demand is expected to remain stable with no major change.

The only option to revive cotton price is to hope for more export enquiries in the near-term. And government comes out with any sort of aid to support the eco-system.

The ICE contracts emanated a positive turn on Friday. The ICE March contract settled at 64.85 cents per pound with a change of +84 points. The ICE May contract settled at 65.94 cents per pound with a change of +80 points.

The Volumes were seen at 19,044 contracts and 7,680 contracts for the March and May contract respectively. The Total Volumes were seen at 28,180 contracts. Volumes have declined after ICE March contract became the most active contract.

This positivity in ICE could be attributed to the optimism seen in the geopolitical scenario. It is also important to note, machine learning and artificial intelligence drive the market in either direction with the algorithms assigned to react to particular keywords [news]. In other words, it is quite important to understand that geopolitical news is responsible for these knee jerk reactions in either direction as is seen now.

The MCX contracts on the other hand also emanated positivity as expected. The MCX November contract settled at 19,080 Rs per Bale with a change of +60 Rs. The MCX December contract settled at 19,170 Rs per Bale with a change of +60 Rs. The volumes were seen at 1373 lots as a healthy figure.

The Cotlook index A has been updated at 73.25 cents per pound with a change of -15 points. The Prices of Shankar 6 are seen to remain at 40,200 Rs per Candy.

On the fundamental front, the ICE contracts are expected to remain range bound with a positive bias. The MCX contracts is presumed to be positive with a change of around 100 Rs per Bale.

On the technical front, ICE Cotton March has broken the support of upward sloping channel, after an Inverse Head & Shoulder pattern breakout. However, price have sustained at the support of 38.2% Fibonacci retracement level (63.51) of an intermediate up move & are witnessing a pullback towards the lower end of the channel.

Meanwhile, the daily EMA (5, 9) at 64.88, 65.15, having a negative crossover along with the momentum indicator RSI is at 47, suggesting sideways to negative bias for the price. The immediate resistance for the price would be at 65.50. Thus for the day we expect price to trade in the range of 63.50-65.50 with sideways to negative bias. In MCX Nov Cotton, we expect the price to trade within the range of 18870-19150 with a sideways bias.

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

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INTERNATIONAL NEWS

USA: Why the Outlook for Apparel and Textile Prices Remains Unclear

Balancing softness in fiber and fabric prices with increased costs brought on by tariffs already in place and the threat of new ones by President Trump, the outlook for textile and apparel prices remains uncertain.

The short-term outlook appears to be a slow rise in final prices at the wholesale and retail level as companies protect profits against 10 percent or higher tariffs. At the same time, while market forces have mostly kept raw material prices at bay, fiber costs are also caught up in the volatility of the U.S. and Chinese trade policy and its reverberations on global sourcing and the supply chain.

Cotton

Moody's Investor Services noted in a report on the state of U.S. apparel companies that lower cotton prices have provided some relief, but synthetics and polyester remain elevated.

"Cotton prices have declined significantly over the past year as demand has slowed, particularly in China, and supply has increased," Moody's said.

U.S. spot cotton prices averaged 61.36 cents per pound for the week ended Nov. 14. That was up from 61.09 cents per pound the previous week, but down from 72.84 cents a year earlier, according to the Department of Agriculture.

The Producer Price Index for synthetic fibers was flat in October compared to September, when it fell 0.4 percent in September, and was up 0.1 percent for the year, according to the U.S. Bureau of Labor Statistics.

Jon Devine, senior economist at Cotton Incorporated, said, "With the tariffs that went into effect in September, its effects now span the cotton supply chain from fiber to apparel. On top of that, the trade dispute is associated the global economic slowdown, and that implies weaker fiber demand."

Devine noted two factors that have affected cotton prices. One is the trade war's impact on China's cotton usage and imports from the U.S. While China has worked off its reserves in the last few years and is in a position to start ramping imports higher, tariffs have gotten in the way.

U.S. cotton was on the July 2018 list of exports to China hit with a 25 percent increase in tariff rates. This pulled U.S. exports to China 35 percent lower in 2018-19 and in the current 2019-20 crop year, the U.S. is forecast to produce a crop that is 3 million bales larger.

"Other markets like Pakistan and Vietnam have been buying healthy amounts, but it could prove hard for the U.S. to sell that additional production without China increasing its purchases," Devine said.

A second large-scale transition has been the reduction in prices for crops such as corn and soybeans that can compete for cotton acreage. The decline in prices for those crops has made cotton more attractive without cotton prices having to be high, Devine said.

Synthetic fibers

Synthetic fiber prices have also showed the impact of a slowdown in demand and overall market volatility.

"Weakness in domestic markets has led to a drop in [fiber] prices during the third and fourth quarters, much more than the raw materials would indicate for most of the fiber types," Laura Murphy, research director for PCI Fibers/Wood Mackenzie Chemicals, said. "Initial indications for 2020 show continued weakness many of the fiber types, and prices continue to erode."

Craig Creaturo, executive vice president and chief financial officer (CFO) at polyester and nylon yarn manufacturer Unifi Inc., said the company's drop in gross profit in the third quarter from $20 million to $17.4 million and an margin decline to 9.7 percent from 11 percent was primarily attributable to competitive pricing pressures that were most pronounced in Brazil and Asia, along with a higher proportion of sales in Asia.

"The decrease was partially offset by a more favorable raw material cost environment in the U.S., Creaturo said. "Looking at this from a segment perspective, polyester primarily benefited from a more favorable raw material cost environment, increasing gross margin by 100 basis points from 7.8 percent to 8.8 percent."

Lenzing Fibers said capacity expansions for standard viscose, coupled with sluggish demand due to the trade conflicts, caused higher pressure on prices, which fell to a new historic low in the third quarter.

"Driven by the challenging situation in standard viscose and low paper pulp prices, prices for dissolving wood pulp remain on a comparatively low level," the company said of the key ingredient in its cellulosic fibers, adding similarly that "caustic soda prices in Asia have already declined significantly over the past months."

Apparel

Another factor is currency related, noted Moody's, which said the strong dollar "is a looming risk in 2020" and "will likely lead to higher costs in 2020." Because apparel companies normally source products from foreign manufacturers in dollars and sell goods in foreign markets in local currencies, a stronger dollar will increase the foreign entity's costs of goods sold.

Apparel brands have been caught in the middle of the supply chain woes and political upheaval, but lower raw materials price have eased some price pressures.

Barry Hytinen, CFO at Hanesbrands, said adjusted gross margin of 38.7 percent declined 50 basis points over last year, as "the impact from foreign exchange rates drove 20 basis points of the decline, with lower innerwear margins accounting for the remainder." Hytinen noted that higher margins at the company's Champion brands partially offset the decline.

"The price increases we implemented earlier in the year offset input cost inflation in the quarter," he said. "As we said before, Q3 was expected to be the peak for commodity cost. Now that we're past the peak, looking to the fourth quarter, we expect the net benefit from pricing to drive gross margin expansion over prior year."

Retail apparel prices fell a seasonally adjusted 1.8 percent in October compared to the previous month, as the fourth quarter price promotions kicked in, according to the U.S. Bureau of Labor Statistics' Consumer Price Index report.

This followed a 0.4 percent decline in retail apparel prices September. Apparel prices were also down an unadjusted 2.3 percent from October 2018, reflecting the cycle of soft fiber and fabric prices in the past year and likely before merchandise that was subject to fresh tariffs hit the pipeline.

However, coming months could see prices inflated from tariffs and concurrent price increase strategies from brands angling to remain profitable.

Source: sourcingjournal.com- Nov 22, 2019

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China: Trade war takes toll, but Xinjiang exporters seek to diversify markets

Textile companies in Aksu, the nation's largest top cotton production base in Northwest China's Xinjiang Uyghur Autonomous Region, are seeing their exports to the US fall to almost nothing this year amid a bickering trade war between the world's two largest economies.

While some have dubbed this year as the hardest for foreign trade, those textile companies have been actively moving into domestic markets, markets along the routes of the Initiative (BRI) and European countries to fill gaps left by US clients.

With government support policies and logistics subsidies, the local manufacturers are confident of their business prospects, believing that sunshine always follows the storm and their business will recover soon with the diversification of export destinations.

At Aksu Textile Industrial Park, Xinjiang's largest textile industrial park – home to hundreds of manufacturers – trade volume of textiles, cotton yarn, clothes and hats plunged 86 percent to $35.87 million in the first 10 months of 2019, according to the industrial park's committee manager Liu Jizhong.

"Our exports to the US dropped to near zero amid the trade war, which weighed on the overall foreign trade volume. The escalating trade war has dragged down the industrial park's output by about 40 percent," Liu told the Global Times on Wednesday, pointing to tons of clothes in the park's warehouse due to lackluster overseas demand.

Last year, the industrial park exported 5 million garments, mostly to the US.

The US levied an additional tariff of 10 percent on $300 billion of Chinese imports on September 1, which reportedly covers 87 percent of textiles and clothing from China. It is not clear whether Washington will impose an additional 15 percent tariff on $156 billion of Chinese products, including clothes and toys, on December 15.

The tariff hike is taking a bite on the business of Xinjiang Jinliyuan Clothing Co, a local textile manufacturer located in the park. Zhang Jie, general manager of Jinliyuan, told the Global Times on Wednesday that the company's clothing exports to the US had halted this year, including to its largest overseas clients Disney, which accounts for 30 percent of its foreign trade transactions.

About 70 percent of Jinliyuan's income originates from foreign trade, of which the US used to be the producer's largest export market.

"This is the hardest year for textile companies specializing in foreign trade. We signed a 10-million-yuan ($1.42 million) initial agreement with Disney in March and then sourced fabrics for the order in bulk. But Disney called off the deal in May and we have no choice but to stock materials in the warehouse, exposing them to the dust," Zhang said.

Last year, Zhang's company expanded its capacity by 24 production lines to 72 on expectations of soaring demand overseas. But now the new lines are idle, Zhang said.

What's worse is that as demand slid to a crawl, the company had to lay off some employees or ask some to take a short holiday to cut costs, he said.

Now, Jinliyuan employs 900 workers, most of whom are Uyghur.

Export diversification

Despite the economic loss, major producers at the industrial park are displaying a palpable level of calm and confidence in the future – just like the weather in Aksu on Wednesday, which cleared up after a sandstorm in the morning.

Efforts to diversify markets and reduce reliance on the US are in progress.

“We have good developments coming one after another. Our chairman has reached an intention to cooperate with Russian retailers. German clothing companies also signed a deal with us. We have begun the design process, and shipments will start next year,” Zhang said.

Orders to the industrial park are also surging from Europe, Southeast Asian and BRI countries, according to Liu, who urged local textile companies to take advantage of Xinjiang‘s geographic position as a gateway to Central Asian countries such as Kazakhstan and Kyrgyzstan.

In September, the Xinjiang government announced favorable policies that aim to subsidize transportation costs for southern Xinjiang manufacturers, including those in Aksu. Companies no longer need to pay railway costs from Aksu station to Urumqi, the capital city. They will also be able to get a 50 percent discount for shipments from Urumqi to stations abroad.

“We‘re mulling over more policies to help local companies contain costs and guide them into neighboring markets,” Kahaerjiang Kuerban, an official of Aksu‘s foreign trade bureau, told the Global Times on Wednesday.

Shifting to the domestic market is another choice. Domestically, Jinliyuan has set up a children‘s wear brand Ayoryor, targeting markets in eastern and central China.

Foreseeing potential business opportunities at home and abroad, Liu said it will certainly take some time for the foreign orders to bounce back, but the future is of great potential and promising.

Source: dfscaller.com - Nov 24, 2019

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Denim Players at Kingpins New York Talk Trade War and Eco Strategies

From design to sourcing, denim manufacturers are adapting their operations in reaction to the U.S.-China trade war as well as brands and consumers' razor-sharp focus on sustainability.

As they plan 2020 production and collections, mills are developing strategies to incorporate environmentally-friendly materials and methods such as recycled content, safer dyes and finishes, and energy-saving initiatives. Denim manufacturers and importers are also reconfiguring their production plans to avoid excess tariffs from China, while also waiting on pins and needles for passage of the U.S.-Mexico-Canada Agreement (USMCA).

"The shift I'm seeing in sourcing is that a lot of brands we're working with are not sourcing for the technical aspect of the fabrics, but for the sustainability aspect," Susan Lee, designer and fabric merchandiser at Twin Dragon Denim Mills, said. "So I've changed the way I merchandised the line to not do it by stretch or non-stretch or things like that, but people want me to bring in Repreve polyester fabric and Sorbtek (moisture-wicking) fabric."

Lee noted that she's also incorporating eco finishes, and by the end of the year, Twin Dragon will be fully transitioning to Indigo Zero, a dye that uses no water. She's also working on biodegradable fabrics.

Blue River, Twin Dragon's Los Angeles wash house, is switching to laser finishing because it's more eco-friendly, she noted.

"Brands want to tell a sustainable story because consumers are demanding it," Lee said, adding that they want marketing tools like hang tags to inform the consumer about what is going into the garment.

Twin Dragon's strategy for manufacturing also takes into account the U.S.-China trade war and resultant tariffs that have caused brands and retailers to rethink where they make and import their denim apparel.

"We do what I call 'glocal' sourcing, which is we design globally and deliver locally," she said. "We have mills in China, Taiwan, Vietnam and Mexico, so we are able to design all of our fabrics in all of those mills. There's been a lot of shifts in where people are producing with the tariffs and other factors, so we're able to make fabrics at one facility and develop it at another facility."

Several mills among the Kingpins New York exhibitors this week echoed these developments as driving their businesses.

Monica Betancur, South American commercial director at Kaltex America, agreed that sustainability has changed the way denim mills produce their product, from environmental efforts in raw materials and manufacturing to the way factories interact with the communities where they operate.

Style wise, there's a "back to basics" approach at Kaltex focused on vintage looks that incorporate modern techniques and materials. These include recycled fibers such as Repreve and laser finishes that reduce chemical and water usage.

Overall, though, "Business is tough right now," Betancur said. "Companies are being cautious, especially about China," which has brought fresh interest in Kaltex's Mexican manufacturing.

Data on denim imports to the U.S. reflects the global uncertainty and turmoil. Year-to-date jeans imports from China dropped 17.02 percent to a value of $564 million in the first nine months of the year. For the 12 months through September, China's U.S. import market share declined 11.67 percent to 21.22 percent.

On the other hand, denim apparel imports from Mexico rose 5.56 percent in the period to $625.84 million worth of goods. For the year, Mexico held a 21.98 percent market share, up 6.73 percent from the same period in 2018.

Kaltex, for its part, strives to be a "partner with the brands," according to Betancur. "We provide product support and customer service," she said. "For us, it's a collaborative relationship."

Pakistani mill Artistic Milliners has seen a strong pickup in business during the U.S.-China trade dispute, as companies seek a tariff-free sourcing alternative that also has experience and a lower learning curve, said Ebru Ozaydin, senior vice president of sales and marketing. U.S. jeans imports from Pakistan increased 8.97 percent to $194.95 million in the year through September.

Ozaydin and Maria Georgiana Ciubotaru, vice president of research and development at Artistic Milliners, said in addition to higher interest from U.S. brands, the company has also seen more business from Canadian and European firms.

Artistic's vertical production structure, where it can develop fabrics with brands and carry them through to finished goods–it has a capacity of 2.5 million units per month–is important, Ozaydin said. But there's also been new business coming from higher-end boutique brands attracted by Artistic's ability to customize fabrics and jeans with a range of finishes and styling.

Ciubotaru said the company has invested in re-engineering its production in areas such as washing and dyeing to improve its ecological footprint.

At Mexican mill Global Denim, sales director Jacobo Troice said there has been some new business from companies that source in China to avoid tariff costs, although the quality and prices of denim at Global and other Mexican mills are generally higher than they are from China.

Troice noted that Mexican companies rely on the duty-free benefits of the North American Free Trade Agreement and that they are counting on that continued status under the pending USMCA. Some executives and observers have said there's hope of it being passed in Congress before year's end, which House Speaker Nancy Pelosi (D-Calif.) has also indicated she would like to do.

One source said he heard that the Democrats want to bring USMCA up at the same time as a vote on impeachment of President Trump to show that they can pass important bipartisan legislation at the same time as the controversial move to impeach Trump.

Overall, times are tough for denim but that's not expected to last forever. "There's definitely a slowdown overall in denim, which is cyclical," Tricia Carey, director of global business development for apparel at Lenzing Fibers, said. "There's also clear shifts going on in the supply chain due to the U.S.-China dispute."

U.S. imports from the world were up just 0.43 percent to $2.83 billion for the first nine months of the year. For the 12 months through September, denim apparel imports grew 2.81 percent to $3.87 billion in value.

Commenting on the potential for Made in America denim production in light of the opening of Vidalia Mills in Louisiana, Carey said, "There's a place for better denim to be made in the U.S., just as there has been increased production in Mexico."

In addition, Carey said the focus on sustainability in denim has nurtured Lenzing's Tencel fiber as an eco alternative to polyester. That's because it's a natural fiber derived from wood pulp and produced in a closed loop manufacturing structure.

Source: sourcingjournal.com - Nov 22, 2019

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Key WTO body may become dysfunctional from December 11

With US blocking selection process for filling vacancies in Appellate Body, the number of members could drop to one

The highest adjudicating body for resolving global trade disputes at the World Trade Organization's dispute settlement system could become dysfunctional on December 11, as the United States continues to play hardball by adopting intransigent positions, said trade envoys.

For the past two years, the US has repeatedly blocked the selection process for filling vacancies at the WTO's Appellate Body, the highest adjudicating body for global trade disputes. The AB will be reduced to one member from December 11 from its requisite strength of seven.

Consequently, a quorum of three members as required for adjudicating any trade dispute will remain unfulfilled.

Two AB members — Thomas Graham (US) and Ujal Singh Bhatia (India) — will retire on December 11 after their second term of four years, while one member Hong Zhao from China will continue till November 2020.

US' charges

Attempts are being made to enable the two retiring members as well as one remaining member to address some 13 pending appeals before the AB. Washington has filed a litany of complaints against the AB's functioning, citing that the highest adjudicating body failed to adhere to various provisions of the WTO's dispute settlement understanding (DSU).

The US, for example, has charged the AB for failing to issue reports within the mandatory period of 90 days. Washington has criticised the AB for its alledgedly "flawed" interpretation in various cases concerning the importance of municipal law in resolving trade disputes.

In a set of new concerns raised on Friday (November 22), the US cited "systemic concerns regarding the compensation of the AB members." The US trade envoy Ambassador Dennis Shea asked why the AB members felt free to depart from the clear rules agreed by WTO members on their compensation. The complaint is not targeted against any "particular AB member", he claimed.

At the core of the latest US' complaint is that the existing and former AB members claimed well beyond their mandated remuneration. The US alleged that the amount of compensation per AB member has remained steady and at a high level — more than 300,000 Swiss francs (around $300,720) annually despite their part-time tenure, while issuing five or six rulings on an average.

EU, China disagree

Many WTO members, including the European Union and China among others, sharply disagreed with the concerns raised by the US about the compensation package for the AB members.

The EU, for example, asked whether it is relevant to talk about the compensation package when the US continues to block the selection process for filing the six vacancies. It showed how the remuneration for the AB members remained almost consistent since 1995 when it came into existence, said a trade envoy, who asked not to be quoted.

China suggested that the US' actions amounted to turning the "crown jewel" of the dispute settlement system into a "problem child", pointing that the compensation package for AB members fell below well below that of the peers in other international judicial bodies.

To address the US' concerns, the chair for the dispute settlement body Ambassador David Walker from New Zealand, who acted as the 'Facilitator', had prepared a set of reforms of the dispute settlement understanding.

But the US had disapproved the proposed changes in the DSU arguing that there its fundamental concerns remain unaddressed.

On November 12, the US blocked the WTO's biennial budget pointing that there are alleged irregularities in the manner in which funds were disbursed for the AB and improper use of what are called trust funds provided by different governments.

At a recent informal trade ministerial summit in Shanghai on November 5, India had cautioned that "despite engagement in an intensive process in Geneva for almost two years on the ongoing impasse in the Appellate Body, no solution is in sight, and next month, we will have a non-functional Appellate Body."

"Therefore, it should be our utmost priority to save the dispute settlement mechanism. It is important that in the way forward, we take into account the aspirations of the large majority of the membership and re-double our efforts for an inclusive, transparent and development-oriented agenda," India had maintained at the Shanghai meeting.

Source: thehindubusinessline.com - Nov 24, 2019

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G20 slaps 'historically high levels' of trade barriers: WTO

G20 economies slapped on 28 new barriers between mid-May and mid-October covering trade worth an estimated $460.4 billion, mainly via tariff increases and import bans, the World Trade Organization said on Thursday.

The restrictions by the world's 20 leading economies were 37% above those in the period of Oct 2018-May 2019, "as the share of global trade covered by such measures has soared", the WTO said in a report on the G20. The group includes the United States, China, and the European Union.

"Historically high levels of trade-restrictive measures are having a clear impact on growth, job creation and purchasing power around the world. We need to see strong leadership from G20 economies if we want to avoid increased uncertainty, lower investment and even weaker trade growth," WTO Director General Robert Azevedo said in a statement.

Source: thehindubusinessline.com- Nov 22, 2019

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$19 bn FDI over 30 yrs in Vietnam's textile-garment sector

The total amount of foreign direct investment (FDI) capital invested into Vietnam's textile, dyeing, and garment industry has crossed $19 billion during the last 30 years involving 1,383 projects, according to the Vietnam Textile and Apparel Association. South Korea led the countries with a registered capital of $4,798 billion invested in 464 projects.

South Korea was followed by Taiwan (nearly $3 billion), Hong Kong ($2,395 billion), China ($2,116 billion) and the British Virgin Islands ($1,607 billion), according to Vietnamese media report.

Several other countries, including Singapore, Samoa, Turkey, Japan, the Seychelles, and the United Kingdom, have also actively invested in the Vietnamese textile and apparel sector with capital ranging from $350 million to $850 million.

Source: fibre2fashion.com- Nov 22, 2019

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Lower cotton yield impacts cotton ginning in Texas

This year's lower cotton yield in the High Plains of Texas has impacted the cotton ginning sector. "Yield is about 30 per cent lower than what was expected earlier," stated 46-year veteran in the sector Steve Moffett, general manager of Lubbock-based Lubbock Electric Company.

He was speaking at a special dinner organised in Lubbock, Texas where several executives of the ginning sector met to discuss the growth of the ginning industry over the past 30-years.

Another aspect of the discussion was how the seed turn out and weight has reduced over the years. This has helped with the productivity, stated Shankar Venkatachalam, president of Bajaj ConEagle, LLC,

"Ginning machinery has not seen a whole lot of changes with regard to its functionality," quoted Ray Moore, a 31-year veteran with the industry. Certainly, productivity has increased from 25 bales per hour to 100 bales per hour added Moore of Bajaj ConEagle, LLC.

Utilisation of technology for productivity has supported the growth of the cotton ginning industry.Ginning contributes to the cotton sector by cleaning, drying and maintaining/enhancing the quality of the fiber.

Ginning plays an important role in enhancing the quality of the fiber. The ginning industry should effectively utilise technologies such as image processing to control trash, contamination, etc.

As Bajaj ConEagle is a subsidiary of India-based Bajaj Steel Industry, discussions at the event focused on the Indian ginning sector, which is roller gin-based. "India should soon invest in saw gins to reduce trash content," stated Shankar.

Source: fashionatingworld.com- Nov 23, 2019

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Africa aiming to emerges strong apparel manufacturing hub

Africa hopes to have a thriving apparel manufacturing industry. The continent is poised to take on more production in the midst of global trade wars and rising wages in China. As the world is increasing barriers to trade, Africa is breaking them down.

Once the Africa Continental Free Trade Area becomes operational, Africa will be the world's largest free trade area. More than 50 African nations will constitute a single market for goods and services.

Right now, the manufacturing sector is only a small proportion of economic output for many African countries.

Once the value chain is functioning properly, it has the potential to create hundreds of thousands, and even millions, of jobs in Africa.

While real progress is being made to loosen intra-African trade barriers, cross-country logistics remain an impediment. Shipping something from a country in West Africa to a country in East Africa, for instance, can be more expensive than importing a product from India or China.

Outdated perceptions and stereotypes about manufacturing on the continent by international fashion industry counterparts continue to limit opportunities. Africa is equated with cheap manufacturing.

Not all efforts to bring scale to upscale manufacturing on the continent have worked. Some labels, however, are seeing an opportunity that goes beyond mass production.

They are working with local artisans, offering community groups a consistent, sustainable income, while showcasing local expertise.

Source: fashionatingworld.com- Nov 23, 2019

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US ruling enthuses Taiwan yarn exporters

The US has imposed anti-dumping and anti-subsidy tariffs on Chinese and Indian polyester textured yarn exporters.

The justification is that exporters from China and India have dumped polyester textured yarn in the US market at margins ranging from 76.07 per cent to 77.15 per cent and 17.62 per cent to 47.51 per cent.

The decision was taken after companies in the US, Nan Ya Plastics and Unifi, brought a petition against Chinese and Indian exporters.

With heavy tariffs now imposed on Chinese polyester textured yarn, Taiwanese companies see a chance to enter the US market. Though they are not sure whether the ruling will result in any benefits, they think it will serve as a bargaining chip for the US in its negotiations with China as the two countries seek to resolve their trade disputes.

Chinese firms that face heavy tariffs in the US are likely to sell their products on the domestic market, which would tighten the competition for Taiwanese companies operating in China, including Nan Ya Plastics.

After the petition was filed with US authorities, polyester textured yarn exports from China and India to the US fell to 229 tons and 341 tons per month on an average, respectively, as of September of 2019 from 1,939 tons and 1,006 tons as of January 2018.

Source: fashionatingworld.com- Nov 23, 2019

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Vietnam, India enhance closer co-operation in textile sector

The garment industry has called for investment in the underdeveloped textile, dyeing and fabric segments to meet the global supply chain demand, according to the Việt Nam Textile and Apparel Association (VITAS).

Speaking at a business interaction event titled India-Việt Nam Textile Co-operation event held in HCM City on Thursday, Vũ Đức Giang, VITAS chairman, invited Indian companies to invest in the yarn, weaving, dyeing, and printing segments to take advantage of the market access provided by free trade agreements that Việt Nam has signed.

He expressed hope that co-operation between India and Việt Nam would benefit both countries.

K Srikar Reddy, the Indian consul general in the city, said: "Bilateral trade in textiles between India and Việt Nam has registered impressive growth during the last two years. Indian textile and clothing exports to Việt Nam grew 48 per cent during the last two years from US$390 million in the 2016-17 fiscal year to $578 million in the 2018-19 fiscal year.

"However, there is significant untapped potential for trade in the area of textiles between our countries."

Việt Nam is dependent on other countries for raw materials for garments such as cotton, yarn, made-ups, and fabrics and it is looking to diversify its sources.

According to Kalavathi Rao, executive of the Synthetic and Rayon Textiles Export Promotion Council of India, India is the sixth largest producer of man-made fibre textile (MMFT) and exported more than $6 billion worth of MMFT products to more than 150 countries in 2018-19.

Its exports to Việt Nam were worth $103.7 million, she said.

India's share of Việt Nam's MMFT imports was 3.34 per cent, she said.

Dr Siddhartha Rajagopal, executive director of the Cotton Textiles Export Promotion Council of India, said in 2018, while Việt Nam's total textile imports were worth $27.90 billion, its imports from India were valued at $640 million, or only 2.29 per cent.

India's imports were worth $7.31 billion and imports from Việt Nam were worth $300 million, he said.

Reddy said under the India-ASEAN FTA most types of yarns, woven and knit fabrics could be imported duty-free from India.

"India can become a reliable partner of Việt Nam in supplying yarn, fabrics, and machinery at competitive prices."

Dr. Rajagopal invited Vietnamese companies to participate in the IND-TEXPO (Reverse Buyer Seller meet) to be organised by TEXPROCIL from March 17 to 29 next year in Coimbatore.

Visitors from 40 countries were expected to participate in the event for sourcing varieties of yarns, fabrics, made-ups, home textiles, and technical textiles from India, he said.

Approved buyers from Việt Nam would be eligible for full hospitality, including complementary return airfare, accommodation and local transport, he added.

Organised by the Indian consulate, VITAS, the Việt Nam Cotton and Spinning Association, and HCM City Textile and Garment -Embroidery Association, the event attracted 60 Indian companies who also participated in the 19th Việt Nam International Textile and Garment Industry Exhibition in HCM City from November 20 to 23 besides local firms.

Source: vietnamnews.vn- Nov 22, 2019

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Bangladesh: Readymade garment exports to new markets fall

The country's readymade garment (RMG) export to the non-traditional markets witnessed a negative growth during the month of July-October of the current Fiscal Year (FY2019-20) due to trade tension between China and US, declining price trend of raw materials, especially cotton and yarn, said industry experts.

Export to emerging markets in millions of $

Country	July-October (2019-20)	Country	July-October (2018-19)
Australia	236.59	Australia	252.68
Chile	38.29	Chile	38.61
China	138.71	China	170.82
India	210.57	India	187.34
Japan	359.74	Japan	366.99
Mexico	67.70	Mexico	66.72
Russia	118.88	Russia	118.51
South Africa	31.73	South Africa	37.71

Source: EPB (Export Promotion Bureau)

Garment shipments to non-traditional major markets have registered a negative growth of 6.07 per cent year-on-year to $1281.84 million in month of (July-October) of the current fiscal year compare to the same period of the previous year 2018-19 which was $1364.66, according to Export Promotion Bureau (EPB). Rather than traditional markets such as-- US, Canada, and Europe, others are considered as non-traditional markets.

Among them, Chile, China, Japan, India, Australia, Brazil, Mexico, Turkey, South-Africa, Russia are the markets where Bangladeshi apparel exports showed negative growth in month of (July-October) of the current fiscal year 2019-20.

Apparel exporters attributed to a number of factors including sluggish EU economy, the trade tension between China and US and recent declining price trend of raw materials, especially cotton and yarn, for the poor performance of the RMG exports.

The apparel makers did not want to go to those markets because it takes a lot of hassle and time to enter a new market and a businessperson needs to talk to different people, make their own research and gradually penetrate into the market, Siddiqur Rahman, former president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) told The Independent.

Rahman said when a manufacturer enters a new market he or she needs to lower the product price rather than average. Manufacturers didn't want to explore the market but since the government is kind enough to provide cash incentive for long period of time, garment owners have started to explore the new destinations and markets.

"However, the number of work orders had declined followed by China and US trade tension, global impacts like falling consumption, and devalued currencies in major competitor countries, he added.

When asked, he said that the cash incentive is 4 per cent which was set from last year (2018) at this moment.

"Presently, non-traditional markets are contributing 15-16 per cent of total export earnings," he informed.

July-October of 2019-20 financial year, Bangladesh earned $138.71 million from China with negative growth 18.80 per cent growth from $170.82 million in the same period of financial year 2018-19, according to Export Promotion Bureau (EPB).

China, the largest apparel supplier of the world, has started importing products from us because the government of China has allowed duty-free access to over 5,000 Bangladeshi products. There are 40 to 50 crore people live in China obtains high-middle income group, said Siddiqur.

July-October of 2019-20 financial year, Bangladesh earned $210.57 million from India with growth 12.40 per cent growth from $187.34 million in the same period of financial year 2018-19, according to Export Promotion Bureau (EPB).

Former Senior Vice President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Faruque Hassan explained a couple of reasons and said "Famous international retail brands such as Zara and H and M have established their business in India and we are the biggest supplier for them."

"Another reason is that Indian domestic market has grown and the numbers of fashion conscious consumers have increased. We import Ready-made garments (RMG) raw materials such as- cotton, machinery from India, so there export is also increasing. It is a win-win situation for both countries," he said.

July-October of 2019-20 financial year, Bangladesh earned $38.29 million from Chile with negative growth 0.83 per cent growth from $38.61 million in the same period of financial year 2018-19, according to Export Promotion Bureau (EPB).

Source: theindependentbd.com- Nov 22, 2019

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Pakistan: FPCCI calls for strategy for proper utilization of GSP Plus

President, Federation of Pakistan Chambers of Commerce and Industry (FPCCI) Engr. Daroo Khan Achakzai, has urged the government to take all necessary measures in compliance of core international conventions pertaining to social compliance, including labor rights, environment and good governance which are pre requisite for the continuation of GSP Plus status to Pakistan.

While highlighting the importance of GSP Plus, he stated that Pakistan is the major beneficiary of GSP Plus from EU which is the second largest trading partner of Pakistan after USA and has positive trade balance with the bloc, said a statement issued here on Saturday.

He stated that GSP Plus allows 20 percent of Pakistani exports to enter EU market at zero tariff and 70 percent at preferential rates and it was expected that Pakistan's exports to the EU would increase by 20 percent or more during the next few years.

EU GSP Plus granted in 2013 and since then our export has increased to US$ 7.9 billion from US$ 6.2 billion but this increase is only in textile and clothing while the exports of many products like carpet, pharmaceutical, iron & steel, edible fruit, oil seed, copper, plastic, sugar etc. has declined as compared to pre GSP Plus period, he lamented.

Pakistan's export to EU is mainly dominated by textiles and clothing which accounts 82 percent of total exports which is facing strict competition with Bangladesh and Sri Lanka.

He underscored the need to diversify and value addition in Pakistan's export including carpets, leather, furniture, plastics, sports goods and agriculture products to exploit the full potential of GSP Plus.

The EU assessment report (2016) has also indicated that Pakistan's export to EU is heavily relied on one product which indicates a risky situation for Pakistan, he added.

The President FPCCI also appreciated the signing of the EU-Pakistan Strategic Engagement Plan (SEP) in June 2019 for the establishment of a Security Dialogue, expanding relations in the areas of connectivity, migration, mobility, climate change and energy, education and culture, and science and technology.

He also underlined the need of enhancement of foreign investment in Pakistan from EU as Pakistan has improved its ease of doing business and has brought several reforms in business.

Source: brecorder.com- Nov 23, 2019

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Pakistan: Ready-made garments worth of $906.663 million exported with an increase of 12 percent

The exports of ready-made garments during first four months of current fiscal year grew by 12 percent as compared to the exports of the corresponding period of last year.

During the period from July-October 2019, about 19.54 million dozens of ready made garments worth $906.663 million exported as compared to the exports of 15.119 million dozens valuing $809.520 million of same period of last year.

Meanwhile, the country exported about 40.246 million dozen of knit wear valuing $1.054 billion against the exports of 37.790 million dozen worth of

US $ 962.862 million of same period of last year, which was up by 9.49 percent, according the data of Pakistan Bureau of Statistics.

During the period under review, 172,547 metric tons of bed wear worth $817.665 million also exported as compared to the exports of 144,574 metric tons valuing US $ 773.447 million of same period of last year.

The exports of above mentioned product witnessed 5.72 per cent growth in first four months of current financial year.

In first four months of current financial year, about 58,030 metric tons of towels worth $251.647 million exported as compared to the exports of 60,041 metric tons valuing US $ 249.651 million of same period of last year, it added.

According the data, textile group exports during first four months (July-October) of current financial year witnessed an increase of 4.10% as compared to the exports of the corresponding period of last year, where as textile sector exports witnessed about 7.44% growth in month of October, as against the exports of same month of last year.

During the period from July-October, 2019, textile products worth over US $ 4.586 billion exported as against the exports of US $ 4.406 billion of same period of last year, showing an increase of 4.10 percent, it said.

On month on month basis, the textile products over US $ 1.214 billion exported in month of October, as compared to the exports of US $ 1.130 billion of same month of the last year.

The exports of raw cotton during the period under review increased by 0.78 per cent, cotton carded or combed 100 per cent and yarn other then cotton yarn grew by 21.24 per cent respectively, the data revealed.

However, in last four months of current financial year, the exports of textile products observed decline in their respective exports included cotton yarn decreased by 2.14 per cent, cotton cloth 4.83 per cent, tents, canvas and tarpulin by 1.58 per cent, it said.

However, exports of raw cotton came down from US $ 392.948 million in first four months of last financial year to US $ 384.553 million in same period of current financial year.

It may be recalled here that country's merchandise trade deficit plunged by 33.52 percent during the first four months of the current fiscal year (2019-20) as compared to the deficit of the same month of last year.

According to the data the trade deficit during July-October 2019 was recorded at US $ 7.776 billion against the deficit of US $ 11.696 billion during July-October (2018-19).

The exports during the period increased from US $ 7.270 billion during last year to US $ 7.547 billion during the current fiscal year, showing growth of 3.81 percent.

On the other hand, the imports of the country witnessed decline of 19.21 percent by falling from US $ 18.966 billion last year to $15.323 billion during the current fiscal year, the data revealed.

Meanwhile, on year-on-year basis, the exports of the country increased by 6.75 percent by growing from US $ 1.896 billion during October 2018 to US $ 2.024 billion in October 2019.

On the other hand, the imports declined by 15.14 percent by going down from US $ 4.801 billion in October 2018 to $4.074billion in October 2019.

On month-on-month basis, the exports of the country increased by 14.41 percent in October 2019 when compared to the imports of US $ 1.769 billion in September 2019. On the other hand, the imports into the country witnessed increase of 7.64 percent.

Source: brecorder.com- Nov 24, 2019

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Argentina slaps ADD on Bangladesh gloves

Argentina has imposed anti-dumping duty at the rate of 56 per cent on import of gloves from Bangladesh and some other countries initially for six months.

The argentine ministry of production and labour on November 15 imposed the duty on freight on board values of the product as it found ‘evidence of dumping’ of the products to the market in primary investigations.

The country also imposed the duty at 56 per cent on import of the product from Bangladesh, China, Sri Lanka and Malaysia while 35.06 per cent on imports from India over the same allegation.

According to the Bangladesh Tariff Commission (BTC), Bangladesh’s export of gloves, mittens and mitts, knitted or crocheted, impregnated, coated or covered with plastics or rubber, to Argentina was worth $1,17,361 in the fiscal year 2018-2019.

In FY 2017-2018, the exports accounted for $151,284.

Tariff commission officials said that although the export volume of the product to the country was not so significant in comparison to its total export worth $40.53 billion in FY19, the impositions had far reaching impacts on exports of the country as other countries might follow Argentina’s example.

So, the government as well as exporters should be very careful and proactive on handling the issue, they said.

In recent years, Bangladesh had also faced anti-dumping and related duties on jute and jute goods, hydrogen peroxide and fishing nets from India, hydrogen peroxide from Pakistan and on synthetic yarn from Turkey.

Earlier on August 6, the foreign trade secretariat of Argentina’s production and labour ministry issued a notification on initiating an investigation into alleged dumping of gloves to the country from six Asian countries, including Bangladesh.

Bangladeshi exporters were supposed to respond to the questionnaire sent by September 30 but the tariff commission, responsible for communicating with exporters on any issues related to imposition of such duties, only came to know about the initiative after deadline to respond to the notification expired.

The commission received the letter sent by the Bangladesh embassy to the United States that also looked into diplomatic matters with Argentina through diplomatic bags on September 30.

Sources, however, said that the embassy also informed the BTC about Argentina's decision through email but BTC had not noticed the letter.

Later in response to a tariff commission plea, the Bangladesh embassy to the US requested Argentina to extend the period for submitting the responses of Bangladeshi exporters to the questionnaire.

Argentina had also extended that deadline by 10 days but the commission came to know about the extension late.

Argentina will now conduct a final investigation into the allegations and take a decision to impose the duty based on the findings.

Commerce ministry officials said that the tariff commission would now decide on what to do next on the issue.

Tariff commission officials said that they did not get cooperation from the exporters.

The commission on October 7 informed the Bangladesh Garment Manufacturers and Exporters Association and Bangladesh Knitwear Manufacturers and Exporters Association about the issue and sought information required for future steps.

None of the associations responded to the request, they said.

Source: newagebd.net- Nov 24, 2019

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Returning Nigeria's Textile Sector To Good Old Days?

In the 1970s and early 1980s, Nigeria was home to Africa's largest textile industry, with over 180 textile mills.

The Cotton, Textile and Garment (CTG) sub-sector, employed close to 450,000 people that translated to more than 25 per cent of the workforce in the manufacturing sector.

But today, only 25 textile factories are operating, and they function at below 20 per cent installed capacity and engaged less than 20,000 people.

The fortunes of CTG sub-sector started dwindling in the 1990s, as a result of some challenges faced by cotton farmers, ginneries and textile firms.

Farmers and processors were confronted with low quality seeds, high cost of production, poor access to finance and smuggling of textile materials into the country.

Statistics recently released by the Central Bank of Nigeria (CBN), showed that textiles worth four billion dollars were smuggled into the country annually.

But there is renewed vigour by the present administration, to revive the CTG through CBN's intervention.

In order to boost the CTG sector, the Federal Government had given directive to some agencies and uniformed organisations to patronise local textile industries.
The present administration through the CBN is targeting engaging 300,000 farmers to achieve 450,000 metric tonnes of cotton in 26 states in the next three years.

The bank is to achieve this through its Anchor Borrowers Programme, which had already commenced with the cultivation of 200,000 hectares of hybrid cotton seeds to be distributed to 200,000 farmers in 26 states.

Part of the strategy is also to import 6,000 metric tonnes of improved cotton seeds, while additional 2,000 metric tonnes of cotton seeds had been sourced locally.

The data released by the bank indicates that “total expected yield at the end of the current season is 302,440 metric tonnes. The distribution of inputs to cotton farmers was launched in Katsina on May 6.

Twenty ginneries in seven states- Borno, Gombe, Kano, Katsina, Kebbi, Niger and Zamfara were selected to participate in the CBN’s financed cotton project.

According to CBN, ginners are to sell their lint to textile factories with the ultimate objective of producing textiles to meet the needs of the members of the uniformed services.

The CBN governor, Mr Godwin Emefiele, said the funds to operationalise the ginneries, had been approved and to be disbursed through the Bank of Industry.

Emefiele said about N19.18 billion had been approved by the bank to fund nine ginneries across the country. The approval is to enable them retool their processing plants, while they are to access the funds at single digit interest rate.

President Muhammadu Buhari, on his part, lamented the closure of textile factories especially in the North, and assured that his administration would revive the sector.

“We promoted policies that will support local industries such as import restrictions.

“We introduced programmes that provided affordable and accessible capital for both large and cottage industries. “We also introduced Executive Orders that encouraged the procurement of Made in Nigeria goods and services.”

According to him, his administration will not allow Nigeria to return to the days of exporting jobs through the importation of food and clothing items, which can be produced locally.

He said: “We will not allow Nigeria to return to the days of exporting jobs through the importation of food and clothing items which can be produced locally. We owe this to the over 200 million Nigerians.”

According to the President, the textile and garment sector has the potential to create millions of jobs, and will therefore, remain one of the priority sectors for the administration.

Referring to his recent directive to all government uniformed institutions to use locally produced garments, President Buhari said unbelievable number of jobs will be created when the military, police, para-military organisations, including the National Youth Service Corps (NYSC), fully patronise local industries.

He, therefore, urged state governments to key into this policy for their schools, hospitals and other institutions. In the same vein, Mr Isa Aremu, the General Secretary, National Union of Textile, Garment and Tailoring Workers of Nigeria (NUTGTWN), lamented the closure of hundreds of textile factories, which used to employ "millions of workers, more than the workforce of the Federal Government in the 70s and 80s."

He, however, commended the textile-friendly policies of the Buhari-led administration, such as the interventions by the CBN and the Executive Order on the use of local garments by uniformed organisations, among others.

Aremu stressed the need to tackle the high incidence of smuggling of textiles, in order to protect the sector as well as boost job creation. The activist said the recent signing of MoU between the CBN and some major stakeholders was a gradual effort of lifting the sector from the state of hopelessness to hope.

Aremu noted that the effort made by the CBN was commendable and would be supported by his union, and appealed to other relevant groups and indeed all Nigerians to do the same.

Alhaji Salman Abdullahi, the President, Cotton Ginners Association of Nigeria, commended the CBN for its commitment to revive CTG sub-sector. Abdullahi said when the stakeholders' meeting was convened sometimes to work out ways to revive the sector, he thought it would be like similar gatherings in the past, that did not yield any positive result.

He pledged that members of his association would live up to expectation, by ensuring quality production. Dr Arome Salifu, an economist, said the step taken by Federal Government was a welcome development.

According to him, for any economy to thrive, a critical component like manufacturing sector must be given priority. "The CTG is a critical component in manufacturing sector, therefore, the apex bank has taken the right step in the right direction by choosing this component to support."

Salifu said that this kind of investment was needed at this time because of its jobs creation potential. He called for involvement of critical stakeholders, like civil society organisations, in the monitoring and evaluation of the project to ensure judicious use of funds.

Source: thetidenewsonline.com- Nov 25, 2019

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How food and cloth fibers are connected

Food & clothing are human essentials and in the many centuries of creating both, we have overlapped their use.

Making silk involves killing the caterpillars that spin cocoons, but many silk-producing areas extract the pupae and eat them as a high-protein snack

Earlier this November in New York, a hat was auctioned for $14,000. This high price was because it was made from the world's perhaps most unusual fabric — sea silk or byssus, made from the threads that giant mussels generate to anchor themselves to rocks. The practice of harvesting and weaving byssus is ancient, yet so rare that the last time such an item came up for public sale may have been in 1767.

We are more used to thinking of mussels as food than as a source of fabric, yet this kind of connection is not as unusual as it seems. Food and clothing are human essentials and in the many centuries of creating both we have overlapped their use quite often. Most obviously, sheep give us wool and mutton, but with almost any animal that can be used for meat, its skin can be made into leather.

Chicken leather, sometimes called poulard, has been suggested as an ethical choice since it is made from the considerable amounts of skin discarded from processing chickens for meat. Fish skins might seem delicate, but have an overlapping structure that is said to make them stronger than equal weights of cattle leather, where skin fibres lie lengthwise. Fish like eels and sharks are both highly edible and give exceptionally durable leather.

But the really important overlaps lie with plant-based fabrics, where the cultivation of source plants usually comes at the expense of food crops. Being able to eat parts of such plants reduces the trade-off. One example is jute whose stems give the fibre, but whose leaves can also be eaten if one can appreciate their slightly slimy texture when cooked. In Bengal jute leaves are fried into fritters called pat patar bora where the crisp coating must provide some balance.

The place where jute leaves are really valued is Africa. Claudia Roden — Cairo-born, London based chronicler of Middle Eastern food — writes with an exile's longing of molokhia, the glutinous soup of jute leaves which is Egypt's national dish.

Just before serving, coriander and garlic are fried to stir in and that, she says, "is the smell of Egypt". In Yemisi Aribisala's entertaining book on Nigerian food, Longthroat Memoirs, she writes of how "the Ibadan must have their amala (yam flour) every single day, served with ewedu, boiled jute mallow leaves beaten with an ijabe (whisk) until you have a thick dark-green, mucilaginous soup…."

The fibres of flax give fine linen, but the plant's seeds are valued for the edible oil pressed from them. It was much valued in the former Soviet Union and has nostalgic status in Russia today. Because the seeds are high in omega-3 oils, they are eaten in health foods and as a nutritional supplement. In the Philippines, a fabric called pina made from pineapple leaves is so highly valued that a formal shirt made from the stiff, translucent fabric is worn on occasions like when a new president is sworn in.

Making silk involves killing the caterpillars that spin cocoons, but many silk-producing areas thriftily extract the pupae and eat them as a high-protein snack. An article in the Times of India in 2009 explained how they had become a craze in Meghalaya, eaten deep-fried or boiled. They were particularly popular in drinking joints as a bar snack. Chinese scientists working on the country's space programme have suggested silkworms as a species that could be bred in the closed confines of spacecraft to produce a source of fresh protein.

Cottoning On

But the real opportunity lies with cotton, the fabric plant which takes up 2.5% of the world's arable land. Cotton seeds could be as edible as flaxseed if it wasn't for a toxin called gossypol that cotton plants produce to deter pests. Among its effects, gossypol may cause low fertility in males and it has been investigated as a potential male contraceptive.

This limited cotton seed use to cattle feed since the multiple stomachs of ruminants seem able to limit glossypol toxicity. The seeds can be pressed for oil, from which gossypol can be removed. In the 19th century, in Cincinnati, Ohio, a company formed by two brothers-in-law, William Procter and James Gamble, pioneered uses for this refined cotton seed oil. Hydrogenating it produced a solid fat which became one of Procter & Gamble's top brands under the name Crisco. In 2013 ET reported that cotton seed or "kapasiya" oil had become particularly popular in Gujarat as a cheap oil in which to fry snacks.

Cotton seed oil doesn't use the high protein content in the seeds. There are, however, low gossypol varieties whose seeds can be eaten. In parts of South India, like Karaikal, a cotton seed halva is made which may involve such seeds.

The problem is low gossypol cotton is not practical for widespread cultivation because it is easily attacked by pests. So when Dr Keerti Rathore, a plant scientist who did his MS at Gujarat University and PhD at Imperial College, London, before going to work at Texas A&M University, started looking at the issue, he realised he had to find a way to switch off gossypol creation in cotton plants, but only in the seeds.

It has taken over 24 years, but finally Rathore and his team have achieved this. In October, the USA's Food and Drug Administration gave clearance for a variety of cotton in which seeds have been genetically modified to switch off gossypol production. It was deregulated last year by the US Department for Agriculture, so now largescale cultivation can begin for both cotton fibre and edible cotton seed.

In interviews, Rathore has admitted that there might be resistance to eating something just seen for so long as a waste product from fabric production. But he points out that its main use might be as a high-protein poultry feed:

“So if you want to produce eggs, that’s almost, I would say, seven times more efficient then feeding it to the cows to make beef. So one way or the other, it will be used.” Finally, a really large scale way to combine the need for both fabric and food production might be here.

Source: economictimes.com - Nov 22, 2019

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NATIONAL NEWS

How cotton subsidies by governments affect the sector

ICAC report reveals doles offered by cotton growing nations get affected when prices rise

Subsidies offered by cotton producing nations to its growers are impacted by market prices, a report from the Washington-based International Cotton Advisory Committee (ICAC) has revealed.

Pointing to historical trends, the ICAC report says that there has been a strong negative correlation between subsidies and cotton prices. This means, in the years when prices are high, the subsidies tend to decline, while in the years when prices are low, subsidies tend to rise.

“This relationship has remained fairly consistent during the past several seasons.

The Cotlook A Index declined from an average of 91 cents per pound in 2013-14 to an average close to 70 cents per pound in 2014-15 and 2015-16, before rising to 83 cents per pound in 2016-17,” it said.

The subsidies by the cotton growing nations touched a record high of around $10 billion in 2014-15.

However, during 2017-18, average prices rose to 88 cents per pound and subsidies increased as well, while in 2018-19, a moderate decline in prices was accompanied by a moderate decline in subsidies.

According to the report, subsidies by the 10 cotton growing countries for 2018-19 have been estimated at $5.4 billion (approximately ₹38,768 crore), marginally down from $5.5 billion (approx ₹39,500 crore) in 2017-18.

For the year 2018-19, the subsidies given by 10 countries averaged 16 cents per pound, marginally down from 17 cents per pound in 2017-18.

These subsidies are given in the form of direct support to production, border protection, crop insurance subsidies, and minimum support price mechanisms.

Notably, the average percentage of global cotton production receiving direct assistance, including direct payments and border protection, is reported at 49 per cent between 2016-17 and 2018-19. The same was 75 per cent between 2014-15 and 2015-16.

In China, the government supports cotton production by controlling cotton import volumes and by applying border protection measures based on quotas and sliding scale duties, with an effective tariff of 40 per cent on cotton imported without a quota.

In addition, China maintains a strategic reserve of the fibre, which is managed by the China National Cotton Reserve Corporation (CNCRC), the ICAC noted.

The Indian government — during the 2014-15 and 2015-16 seasons — purchased cotton through the Minimum Support Price (MSP) programme as market prices fell below MSP.

In 2018-19, the MSP for long staple Shankar-6 variety of cotton was hiked substantially to ₹5,350 per quintal (equivalent to 101 cent per pound of lint).

The same was ₹4,320 (89 cents per pound) in 2017-18. Notably, for kharif 2019-20, the cotton MSP has been further hiked to ₹5,550 (approx 105 cents per pound).

For the US, ICAC noted that the sum of all types of support provided to producers including Price Loss Coverage (PLSC)/Agriculture Risk Coverage (ARC), crop insurance, and STAX is estimated at $1.2 billion (with works out at 14 cents per pound) in 2018-19, up from $890 million (9 cents per pound) reported in 2017-18.

Source: thehindubusinessline.com - Nov 24, 2019

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Govt taking steps to avoid cotton distress sale by farmers: Irani

The government has taken various measures to avoid distress sale of cotton by farmers with a view to safeguard the interests of cotton farmers, Parliament was informed on Friday.

Union Textiles Minister Smriti Irani, in written reply to the Lok Sabha, said 610 procurement points, including 367 procurement centres covering 125 districts in 12 cotton growing states, have been opened in all the cotton growing states under 18 procurement & sales branches of Cotton Corporation of India (CCI) Ltd.

The cotton season starts from October and ends in September.

"As on 18 November 2019, CCI has procured around 4 lakh quintals kapas from the farmers mainly in the states of Punjab, Haryana, Rajasthan and Telangana and at some centres in the states of Gujarat, Maharashtra, Madhya Pradesh, Andhra Pradesh and Karnataka," Irani said.

Source: business-standard.com - Nov 23, 2019

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India not to take the initiative to re-open RCEP talks: Official

Will consider coming back only if all the other members of the grouping address its concerns

India will not take the initiative to re-open talks on its sensitivities with other members of the proposed Regional Comprehensive Economic Partnership (RCEP). It will remain out of the grouping unless other members re-work the pact to its satisfaction, a government official has said.

“No bilateral negotiations are planned with RCEP members to sort out the areas of concerns. India has clearly stated all its concerns at the forum. If all the members get together and make changes in the pact and make an offer, the country could examine it. Otherwise, it stays out of the grouping,” the official told BusinessLine.

Following India’s exit from the RCEP earlier this month at the Leaders’ Summit in Bangkok, many of the 15 members such as New Zealand, Japan and China have expressed interest in talking to India to sort out its problems so that it could get back to the talks. The other countries in the group include the 10-member ASEAN, South Korea and Australia.

However, with India not showing much enthusiasm in getting back to the negotiating table and the other RCEP members not moving to woo it back, time may be running out.

“At the RCEP Summit in Bangkok, it was decided by all the 15 members that they would try to seal the deal by February 2020. It seems highly unlikely that India’s issues can be resolved by then,” the official said.

Wrangle over Rules of Origin

India’s biggest concern with the RCEP relates to the Rules of Origin (ROO) agreed to by the other members. New Delhi believes that the ROO are rather loose and would allow Chinese goods, which may be behind a higher tariff wall for a longer period compared to those from ASEAN, circumvent the duties and come into India via ASEAN nations.

“A strong ROO is absolutely necessary to save the Indian industry from a surge in Chinese imports as more than 90 per cent of the goods being traded with the ASEAN would be brought down to zero in a phased manner, starting next year,” the official said.

India has also demanded that the base rate of duty (for calculating tariff cuts) should be 2019 instead of 2014, as agreed earlier, as the five-year-old rates were no longer relevant.

An adequate Auto Trigger Safeguard Mechanism to prevent dumping and import surges was another of Delhi’s demands.

Source: thehindubusinessline.com- Nov 22, 2019

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Transparent mechanism set up for export freight payment, related charges in foreign exchange

Move follows complaints from exporters that they were overcharged by logistics intermediaries

Stake holders in India's export trade have set up a mechanism for payment of freight and its related charges to shipping lines and other logistics intermediaries. This was aimed to curb "profiteering" in the exchange rate when the payments are made in Indian rupees.

The Standard Operating Procedure (SOP), a first-of-its-kind mechanism for payment of freight and freight related charges for exports, was chalked out at the behest of N Sivasailam, special secretary (logistics) in the Department of commerce.

"The issue was dealt with by the State Bank of India, shipping lines, exporters and other industry associations, after which a circular has been issued on February 18 and converted into a trade notice. It deals with how exchange of foreign exchange (FE) rate needs to be determined and this has now been agreed transparently amongst all of us.

You may find a paisa up or down, but you will now not find profiteering on foreign exchange," Anil Devli, CEO, Indian National Shipowners' Association (INSA), said.

"This is about how the freight will be paid. It's an innocuous looking trade notice which will have major implications. We have done it in order to bring transparency," Sivasailam told BusinessLine.

"Freight forwarders will be majorly affected with this because they cannot charge anything extra; they have to attach the original invoice raised by the shipping line while billing the exporter," said a shipping industry executive.

The issue was flagged by the exporters. They told the Logistics Department that the exchange rate quoted by the shipping line, their agents or trade intermediaries for the payment towards freight and freight related charges, in their invoice, was higher (about Rs 2-3 more) than the prevailing market exchange rate. This was the case if the exporter chose to pay in rupees.

Whereas, when the invoice is raised in the FE (foreign exchange), by the trade intermediaries towards freight, the amount of FE demand (or equivalent rupees) exceeds the amount payable in FE (or equivalent rupees) to the shipping line invoice towards container freight.

Certain services provided within the trade eco-system are also being billed as freight charges in FE by trade intermediaries in contravention of prevailing regulations.

This, according to exporters, was “having implications for logistics costs of export trade”.

Provisions of the new mechanism

The SOP will ensure that the country’s liability for payment in FE is limited to freight cost and the outgo should be limited to what’s actually payable to shipping lines. All other incidental charges for services rendered are to be invoiced and payable in rupees only.

The SOP mandates the shipping line or freight forwarders / intermediaries to issue an invoice in freely convertible foreign currency as per the contract entered between them, for freight and freight related payments like basic freight, BAF (Bunker Adjustment Factor) and CAF (Currency Adjustment Factor).

On receiving the invoice, exporters can either approach their authorised dealer Bank to negotiate and finalise the conversion rate for foreign currency payment through their rupee account.

Exporters also have the option for paying freight and freight related surcharges in foreign currency through their Exchange Earners Foreign Currency (EEFC) account to the foreign currency account of shipping lines in accordance with FEMA rules.

For payments through freight forwarders (FFs), the invoice amount raised by them on the exporters in FE or rupees, should be equivalent to the invoice received by them from the shipping lines.

The exporters have to pay only the freight and freight related charges like BAF, CAF, etc. in foreign exchange. The FFs have to raise separate invoice in rupees for the services rendered over and above the shipping line charges.

Other operational expenses, like D&D (Demurrage and Detention), THC (Terminal Handling Charge), IHC (Inland Haulage Charges) and other local charges have to be invoiced in rupees.

The above payment mechanism will be enforced for Full-Container-Load (FCL) cargo, arranged by the exporter or facilitated by FF's, on origin to final destination basis.

In the case of Less-than-Container-Load (LCL) cargo, including transshipment in foreign locations, FFs can levy an all-encompassing charge only in rupees since the charge includes the payments in FE including freight and transshipment service charges at foreign ports based on shipping line / port or service provider invoices, wherever applicable, according to the SOP.

Source: thehindubusinessline.com - Nov 24, 2019

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PSUs need roadmap for growth, exports: CII report

There is a need to create a short- and long-term roadmap for the public sector enterprises (PSEs) clearly laying down export and growth targets, according to a report by the Confederation of Indian Industry (CII).

The report titled, 'Can the Indian PSEs enhance their geo-strategic reach', pointed out domestic and external barriers, which are inhibiting the PSEs' ability to enhance exports. Lack of autonomy, multiple procedures, management gaps lead to loss of potential business opportunities.

"Setting up a high-level export strategy committee will implement the five-point agenda set out by the Prime Minister for enhancing the competitiveness of Indian PSEs by 2022. A short-term (five years) and long-term (10 years) roadmap for the PSEs, clearly laying down exports and growth targets, is the order of the day to enhance their geo-strategic reach," said Chandrajit Banerjee, Director-General, CII.

The report mentioned that many PSEs do not even have a dedicated international desk or in-house teams which can support exports and international competitive bidding. There are wide variations in terms of support available from the Nodal Ministry/Reporting Ministries of the PSEs.

“A well-defined process for sharing of information between the Indian Embassies, nodal ministries, PSEs and their associations is required,” recommended CII.

Need for tie-ups

The report also suggested the need to partner with innovative Indian start-ups and high technology companies in the private sector to offer more goods and innovative solutions in export markets.

Source: thehindubusinessline.com- Nov 24, 2019

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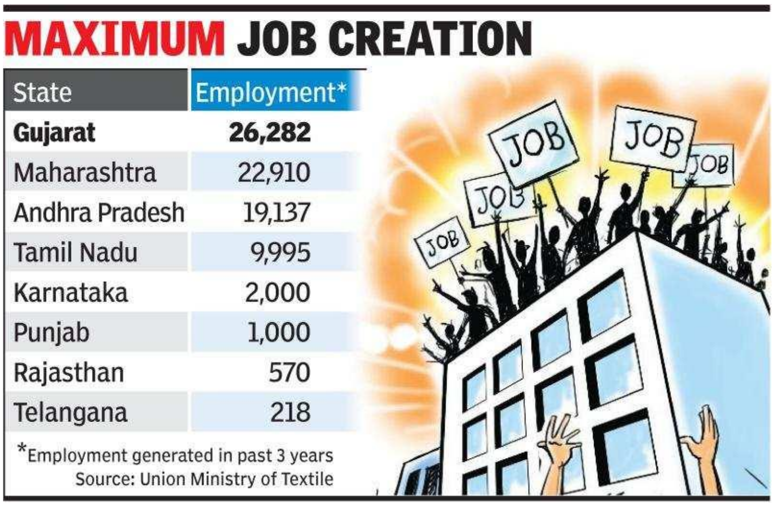
SITP: State creates highest employment


MAXIMUM JOB CREATION

State	Employment*
Gujarat	**26,282**
Maharashtra	22,910
Andhra Pradesh	19,137
Tamil Nadu	9,995
Karnataka	2,000
Punjab	1,000
Rajasthan	570
Telangana	218

*Employment generated in past 3 years
Source: Union Ministry of Textile

When it comes to creating jobs in the textile sector, Gujarat is faring well – the best in the country. According to data by Union ministry of textiles, the state created the highest number of jobs in the past three years, under the Scheme for Integrated Textile Park (SITP). Some 26,282 people in Gujarat got employed in the textile parks set up in Gujarat in 2016-17, 2017-18 and 2018-19.

Gujarat leads other manufacturing-heavy states such as Maharashtra (22,910), Andhra Pradesh (19,137) and Tamil Nadu (9,995), in employment generation under SITP.

According to data provided by Textile Commissionerate, 11 textile parks have been set up in Gujarat so far, most of which are mainly concentrated in Surat and Ahmedabad. Each such park has some 10 textile manufacturing units.

The Union government scheme provides support for creation of infrastructure facilities to set up textile units. As part of the scheme, government grant up to Rs 40 crore for each park is released by the Union government.

A well-placed source privy to the development suggests that seven of these 11 parks are fully operational. "Majority of these parks have weaving units in addition to yarn texturizing and value-addition. However, there is one park in Surat which is dedicated to textile processing units," said the source.

The textile parks have been set-up based on the plug-and-play model, where basic infrastructure would be provided to the manufacturing units, which would only need to install machinery and begin operations. More than 110 units have become operational in these parks, according to government sources.

"The total project cost is estimated to be Rs110 crore per textile park, whereas an estimated investment of Rs 1,500 crore took place across these textile parks," said the source.

Source: timesofindia.com- Nov 25, 2019

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Inside Indian Ecommerce sector's favourite logistics hub: Bhiwandi

Bhiwandi also scores high on Amazon's charts for its people's entrepreneurial instincts.

The road from Mumbai to Nashik cuts through swathes of green pastures. About 30 km into the journey comes the city of Bhiwandi, and then the scenery begins to change. On the right side of the road, the greenery gets punctuated by buildings spread across the landscape wearing the unmistakable look of warehouses — large premises, conical tin sheds and doorways big enough to accommodate heavy commercial vehicles.

BHIWANDI IN BUSINESS

The Place

200 mn sq ft
Area of Bhiwandi city

25 mn sq ft
Area legally available for warehousing

5 mn sq ft
Area used for building warehouses in 2019

₹11-20
Monthly rental per sq ft for warehouses in 2018

100-150%
Jump in per sq ft land prices for warehousing in 10 years

The People

3.5 lakh
people are involved in ecommerce jobs in Bhiwandi

100+
retail companies have warehouses here

6-12%
is the commission on payrolls e-tailers give to staffing companies & contractors

6 million
parcels are dispatched daily from the city's biggest ecommerce warehouses

On the left side of the road are more warehouses. Only, these are taller, younger-looking buildings stacked against each other in a queue that goes on for several kilometres. In place of decrepit tin sheds, these have steel claddings often seen on industrial buildings internationally. Pucca roads replace the pastures on this side of the city.

These newfangled warehouses have come up in Bhiwandi — known for its century-old power looms industry which still exists in the interiors of the city — only in the last five years or so. Here, online retail companies such as Amazon, Flipkart, Nykaa, Pepperfry, Grofers and Bigbasket, among others, store their goods in what the industry calls fulfilment centres or FCs. When a customer places an order on one of these online platforms, the item ordered is packed in these FCs, sorted according to the delivery location and dispatched in a delivery vehicle for its final destination. Third-party logistics companies (called 3PLs) such as DHL, Blue Dart, DTDC, Safexpress — the entities that deliver these goods to the customers' doorsteps — also have their own FCs here. Like a local train on a busy Mumbai station, a delivery truck enters and exits these centres every 30 seconds.

Online retailers and 3PLs take warehouses like these on lease to avoid large investments required to establish one. In fact, most ecommerce companies tend to lease all logistics services to keep the cost low while delivering efficiently across the country. According to a recent KPMG report, 51% of all ecommerce deliveries were executed by external logistics service providers (LSPs). India's e-commerce retail logistics market, it said, was valued at $1.35 billion in 2018 and was projected to grow at a compound annual growth rate of 36% in the next five years.

At the heart of this growth lies Bhiwandi, the logistics haven from where ecommerce companies manage deliveries for the entire western region — roughly 30-35% of all online retail sales across players and categories.

A delivery truck enters or exits fulfilment centres in Bhiwandi almost every 30 seconds.

Though there are similar warehousing clusters in Gurgaon, Bengaluru and Hyderabad, it is Bhiwandi, northeast of Mumbai, that is becoming the flag-bearer of the booming logistics business. Why? Because the city has evolved into a first-of-its-kind ecommerce logistics hub in India. Here, a broker is readily available to facilitate an ecommerce player's logistics needs at every step — from their warehouse to the customer's house. These include land-leasing services; management of warehouses; manpower supply for packing, sorting, loading and unloading of goods, trucks and truck drivers to ferry those goods; security and catering staff, among other things. Hundreds of them help ecommerce companies serve customers in states such as Maharashtra, Gujarat and Goa. To put it succinctly, Bhiwandi is like a supermarket for ecommerce players.

The city's journey to becoming a hub for FCs started a while ago, says Rajesh Thakker, 57, director of Jai Bhagwan Realties, which has developed and leased 40 acres in Bhiwandi to seven brands, including Amazon and Grofers. "Builders began developing warehouses in this textile industry hub around the 1970s. At the start of the 21st century, retailers like Big Bazaar and DMart set up warehouses in the city. It was only natural for ecommerce companies to follow suit a decade later." Soon, new and international-standard warehouses began to emerge on the other side of Bhiwandi's old-fashioned godowns.

The ecommerce space in the city gives a means of livelihood to close to 3.5 lakh people. The business has grown at warp speed for key stakeholders in this gig — builders, property dealers, staffing companies and the local workforce, among others. The increasing demand for more warehousing space has led to a 150% jump in land prices in the last 10 years. According to a recent Knight Frank's India Warehousing Market Report, in 2017, the warehousing transaction volumes in Bhiwandi recorded a 230% yearon-year growth over 2016.

THE PAST

1930s

Bhiwandi, a fish trading port, turns into a textile hub; locals says a trader from UP, Haji Abdus Samad, once urged residents to sell their gold and invest in power looms

1970s

Builders start developing warehouses

2000s

Retailers like Big Bazaar and DMart set up warehouses

2010s

Ecommerce companies set up warehousing hubs

2017 onwards

Companies start helping local people set up businesses to support ecommerce entities

Around 5 million sq ft of warehousing space has so far been absorbed into building warehousing parks in 2019 alone, says Jasmine Singh, country head of industrial & logistics services at CBRE, a commercial real estate services company.

With nearly 25 million sq ft of legal warehousing space, Bhiwandi is neck-and-neck with Delhi-NCR that offers not one but two large warehousing clusters around Ghaziabad and National Highway-48.

However, Bhiwandi has its own set of challenges. During monsoon, the city makes headlines for fatalities due to infrastructure failure. Instances of illegal acquisition of agricultural land to build warehouses are not uncommon either. But there are at least a couple of good reasons that have put Bhiwandi a notch above other suitable locations, say stakeholders.

The rentals here are cheaper than many industrial hubs in the country — Rs 11-20 per sq ft a month against Rs 14-22 for the Ghaziabad cluster and Rs 14-24 in Chennai. In the unorganised sector, word is that you can get a rate as low as Rs 9 per sq ft a month in Bhiwandi. "It is because of such competitive rates that most ecommerce companies have their largest warehousing hub in this area," says Dhiren Shah, 43, a Mumbai-based realty broker.

In 2012, companies like Pepperfry started setting up bigger FCs in the city. Since 2014, Amazon has set up seven such centres in Bhiwandi — the highest number across its major warehousing hubs in India. Location is another factor as Bhiwandi is not too far from Mumbai and is well connected to the thoroughfares in the region. Another important factor — perhaps the clincher — is labour.

Ashish Shah, founder & COO of Pepperfry explains why ecommerce companies prefer Bhiwandi even though labour costs are higher here. "Even the infrastructure is much better in cities like Bengaluru. However, the high work ethic, a no-nonsense attitude, and the credibility of the Bhiwandi workforce make it our No. 1 warehousing location," he says.

Pepperfry's warehousing space in the area has grown from 8,000 sq ft to 400,000 sq ft over the past seven years. "When we signed the lease for our 400,000 sq ft warehouse here, we found that the facility has 57 owners. All of them came down for documentation. This can happen only in Bhiwandi," Shah says. Even workforce strikes are fewer here compared with most other warehousing hubs, he adds.

"During peak season, poaching of labour between Amazon and Flipkart happens quite often. But you don't hear cases of data theft and such. People in Bhiwandi have a reputation to maintain," says Sumit Patil, 34, director at Trident Human Resource Management, a staffing company that manages labour and logistics duties for clients like Flipkart, Bigbasket and Nykaa, among others.

The ecommerce space in the city gives a means of livelihood to close to 3.5 lakh people from the area and nearby towns.

Realty dealer Dhiren owns one-fourth of a 12,000 sq ft warehousing space with three other property dealers in the area. "There are no walls within the building so we can easily make room for bigger clients. But if required, we can separate the space using makeshift partitions." This flexibility has helped Bhiwandi fare better than other logistics hubs.

Bhiwandi also scores high on Amazon's charts for its people's entrepreneurial instincts, an Amazon spokesperson tells ET Magazine. "We do a lot of community engagement programmes in areas like education, health, sanitation and women empowerment across 15 warehousing centres in India. Some of the beneficiaries of these initiatives from Bhiwandi saw an opportunity in using their training to provide ancillary services at our FCs. This helped them earn a livelihood and become financially independent," the spokesperson adds.

Ganga Sonavale, popularly known as "Ganga tai", is one such beneficiary. Seeing her penchant for business during a self-help group training, Amazon's CSR unit asked if she would like to run a canteen at its FCs in the city. "I seized the opportunity with both hands," says the 35-year-old resident of Vahuli village in Bhiwandi. She started with serving 20 meals four months ago. Today, she serves close to 500 meals across four Amazon FCs in the region, earning over Rs 7,000 a month.

"When we signed lease for a 400,000 sq ft warehouse, we found the place had 57 owners. All of them came down for documentation. This can happen only in Bhiwandi" : Ashish Shah founder & COO, Pepperfry

While the power looms largely employ skilled labour, the ecommerce gig has given avenues to unskilled labour, says Jai Bhagwan's Thakker. It has changed the lives of people like Sonavale. "Before the catering business, I was just a housewife. My role as a housewife is very important, but it doesn't give any financial returns and respect in society. Now I am considered a financially independent woman in my village. Younger women come to me for advice." She now wants more women to join her business so that she can expand further.

If Bhiwandi's warehousing hub were a people, Pepperfry's Shah says he would describe them as "the people for all seasons". "Others are either too new (Bengaluru) or too plastic (Gurgaon)," he says. "They lack character. Bhiwandi, on the other hand, is an old hand. It has a lot of stories to tell."

Source: economictimes.com- Nov 24, 2019

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MSMEs in focus at Punjab investors' summit on Dec 5, 6

Punjab Government's Progressive Punjab Investors' Summit on December 5 and 6 in the Indian School of Business at Mohali is expected to see participation from the MSMEs of Punjab, apart from leading industrialists, new-age entrepreneurs, foreign missions and other dignitaries.

The Summit will be the ideal platform to experience Punjab's success story, and explore the numerous investment opportunities offered by the State.

"In keeping with the Summit theme — 'Building Partnerships for Inclusive Growth — MSMEs in the Global Value Chain', the Punjab Government has resisted the temptation of focusing entirely on big ticket international investments and instead has taken the bold step of internalizing the State's efforts to support the MSMEs through industry partnerships which can help them shift their trajectory of growth," said the Additional Chief Secretary Vini Mahajan.

She said that the event aims to highlight that Punjab houses robust MSME units in numerous sectors which can be vendors or partners of the international clients looking for ancillary units to support their global value chains.

The Additional Chief Secretary further said that Punjab is partnering with Japan, UAE, UK, as well as German corporates, as it sees many mutually benefiting collaborations with industry based out of Punjab.

Many international players from these nations have already expressed their interest in increasing investment in the State and country sessions during the Summit will highlight the potential and opportunities for collaborations that exist between these countries and Punjab.

Mahajan said that along with a key focus on MSMEs, we have also identified thrust sectors such as Agro and Food Processing, Healthcare, Manufacturing and Light Engineering, Plastics and Petrochemicals, Auto and Auto Components, Skill Development, and New and Renewable Energy, New Mobility, Industry 4.0, Textile, Tourism, IT/ITes and ESDM, and Startups which have potential to grow and expand in Punjab.

We will hold sessions which include experience sharing by Punjab investors, panel discussions between industry leaders to understand the needs and demands of the sector and also highlight the potential of growth particularly in Punjab.

Also renowned as the Hub for the MSME sector, the State houses over two lakh registered MSMEs specializing in hi-tech auto parts, processed food products and juices, textiles, sports goods, machine tools etc, she said. The Summit will feature a one-of-a-kind exhibition which will showcase the key products manufactured in Punjab that have excelled at the global level.

In line with the Summit's theme, the strength of Punjab based manufacturers would be displayed who have partnered with international players to build strong global value chains benefitting the scale of their operations and quality of their products.

Source: dailypioneer.com- Nov 24, 2019

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Textile unit inaugurated in Hyderabad's Rangareddy district

Whitegold Spintex Integrated Textile Park, being set up at Ibrahimpatnam in Rangareddy district, inaugurated its first unit on Saturday. Principal Secretary (Industries) Jayesh Ranjan inaugurated the unit of Divya Textiles of Surat, Gujarat.

Telangana State Industrial Infrastructure Corporation (TSIIC) vice-chairman and managing director EV Narasimha Reddy was also present at the function.

Plastic-free zone

Use of plastic bags will be phased out in all the industrial parks managed by the TSIIC to make it a plastic-free zone. Narsimha Reddy launched cloth carry bags at his office on Saturday.

Source: newindianexpress.com- Nov 24, 2019

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