**INTERNATIONAL NEWS**

<table>
<thead>
<tr>
<th>No</th>
<th>Topics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>USA: Cotton Growers Can Benefit from New COVID-19 Legislation</td>
</tr>
<tr>
<td>2</td>
<td>Nigeria: Fall in oil price: Textile union calls for diversification, industrialisation</td>
</tr>
<tr>
<td>3</td>
<td>Worldwide lockdowns, stimulus shots, raised PPE production</td>
</tr>
<tr>
<td>4</td>
<td>Texas: Garland apparel manufacturer makes quick shift to PPE production for health care workers</td>
</tr>
<tr>
<td>5</td>
<td>The second virus shockwave is hitting China’s factories already</td>
</tr>
<tr>
<td>6</td>
<td>Indonesia: Textile factories face hurdles as they switch to producing medical gear</td>
</tr>
<tr>
<td>7</td>
<td>More woes for Myanmar garment industry as EU cancels orders</td>
</tr>
<tr>
<td>8</td>
<td>Pakistan: Govt notifies power tariff relief for major exporters</td>
</tr>
<tr>
<td>9</td>
<td>Bangladesh: H&amp;M comes to its garment suppliers’ rescue</td>
</tr>
<tr>
<td>10</td>
<td>Bangladesh factories told to operate despite lockdown</td>
</tr>
<tr>
<td>11</td>
<td>Bangladesh: Garment workers going unpaid as fashion labels cancel orders</td>
</tr>
<tr>
<td>12</td>
<td>Bangladesh - RMG: Desperate times necessitate innovation</td>
</tr>
</tbody>
</table>

DISCLAIMER: The information in this message be privileged. If you have received it by mistake please notify "the sender" by return e-mail and delete the message from "your system". Any unauthorized use or dissemination of this message in whole or in part is strictly prohibited. Any "information" in this message that does not relate to "official business" shall be understood to be neither given nor endorsed by TEXPROCIIL - The Cotton Textiles Export Promotion Council.
<table>
<thead>
<tr>
<th></th>
<th>NATIONAL NEWS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Covid-19: India urges FTA partners to temporarily allow imports without certificate of origin</td>
</tr>
<tr>
<td>2</td>
<td>Foreign trade policy, schemes to be extended by 6 months till Sept 30</td>
</tr>
<tr>
<td>3</td>
<td>COVID-19: Normalcy To Return To India’s Industrial Sector, Says Report</td>
</tr>
<tr>
<td>4</td>
<td>Workers at spinning mills staring at a bleak future</td>
</tr>
<tr>
<td>5</td>
<td>Krishnapatnam Port declares force majeure</td>
</tr>
<tr>
<td>6</td>
<td>Raw cotton transport, yarn production hit during lockdown, say textile companies</td>
</tr>
<tr>
<td>7</td>
<td>Struggling cotton industry braces for uncertain future</td>
</tr>
<tr>
<td>8</td>
<td>Government’s efforts to rope in new players to produce masks, protective gear see limited success</td>
</tr>
<tr>
<td>9</td>
<td>Exporters seek permission to operate factories in pandemic times</td>
</tr>
<tr>
<td>10</td>
<td>Government under pressure to declare Force Majeure at 12 major ports</td>
</tr>
<tr>
<td>11</td>
<td>India scraps royalty fee on Bt cotton to GM tech giant, Indian seed companies to benefit while farmers’ wish ignored</td>
</tr>
<tr>
<td>12</td>
<td>Labour Ministry notifies provision for non-refundable withdrawal from EPF</td>
</tr>
<tr>
<td>13</td>
<td>Kashmir handicrafts, handloom departments merge</td>
</tr>
<tr>
<td>14</td>
<td>In India’s fight against COVID-19, a made-in-Punjab hazmat armour</td>
</tr>
</tbody>
</table>
INTERNATIONAL NEWS

USA: Cotton Growers Can Benefit from New COVID-19 Legislation

As President Trump signed the newly-passed $2 trillion Coronavirus Aid, Relief & Economic Security Act (CARES Act) on March 27, several supplemental appropriations for U.S. farmers and ranchers were put in place – following active involvement from the National Cotton Council and other organizations with agriculture’s allies in Congress.

USDA received $49 billion in the funding package, including:

- $9.5 billion to support agricultural producers – including livestock and specialty crop producers – to respond to COVID-19 losses.
- $14 billion to restore funding to the Commodity Credit Corporation (CCC) and increase the borrowing authority of USDA to support agriculture in times of crisis. The past two years of Market Facilitation Program funding came from CCC.
- The Secretary of Agriculture is also given authority through the end of September 2020 to extend the term of marketing assistance loans to 12 months from the current nine months.

In a March 25 statement, NCC Chairman Kent Fountain said that restored funding authority for CCC and dedicated funding for producers in response to COVID-19 were of utmost importance in the package.

“We believe this is a good first step towards addressing the needs of the agricultural economy,” he said. “But more funding authority will likely be needed once there is a better assessment of the full impacts of the current crisis.”

Producers and farmers may also benefit from several items approved under the Paycheck Protection Act (small business loan program) included in the CARES Act:

- The Treasury was given authority to set criteria to allow farm credit institutions to be eligible lenders under the program until the national COVID-19 emergency expires.
- Farmers and agricultural and rural businesses are also eligible for small business interruption loans, with repayment forgiveness provided for funds used for payroll, rent or mortgage and utility bills. Based on NCC evaluation of the program, cotton farms are eligible, but salary cannot be above $70,000 and growers must show need.

In addition, the NCC also worked with USDA and other federal agencies to provide relief on H-2A visa processing to ensure guest workers can get to their employers in a timely manner as spring planting season begins. The organization was also involved in continuing activities with agencies regulating transportation – particularly the trucking sector to provide relief on hours of service, weight limit exemptions, and CDL extensions and waivers.

The work, however, is not yet complete. The NCC notes that there are still a number of other activities underway to help provide near-term regulatory relief, remove unnecessary impediments to continuing operations, and develop an industrywide economic relief proposal to present to USDA in the coming days.

Source: cottongrower.com-Mar 29, 2020

Nigeria: Fall in oil price: Textile union calls for diversification, industrialisation

With the price of crude oil falling around $30 per barrel, the National Union of Textile Garment and Tailoring Workers (NUTGTWN) has restated that Nigeria must immediately opt for diversification and industrialisation.

This is even as the union urged the Federal Government to institute a structured, consistent and sustained policy framework for accelerated growth in the manufacturing sector.

The union also at its 12th Quadrennial Delegates’ Conference held in Abuja last week ratified the retirement of its general secretary, Issa Aremu, as the incumbent president, John Adaji, got another term of four years to lead the union.
In his address at the conference, themed, “Labour and Industry (Textile) in the Next Decade,” Aremu, vice president IndustriAll, harped on industrialisation is the key to economic recovery.

“The advantages of industrialisation include lessening of dependency on imports, thus saving scarce foreign exchange.

“Where the economy is diversified, industrialisation serves as a source of foreign exchange. It also serves as a source of employment for greater number of the population and invariably reduces income poverty,” he said.

He opined that textile industry was a strategic non-oil industry, which, in spite of its depressed state, is still largest private sector employer of labour after government.

According to him, at a time, when the price of crude oil is falling and there is so much talk about diversification, its time Nigeria revisited basic industries such as textile, adding that textiles has been the cornerstone of economic development of most nations.

He said, “The industry has been in steep decline due to lack of electricity, smuggling and lack of patronage. This free fall has been slightly moderated in recent years by series of interventions including the Cotton, Textile and Garment (CTG) intervention fund managed by the Bank of Industry (BOI). It is estimated that Nigeria spends over $2 billion on imported fabrics as the crisis in the industry has been aggravated by high local production cost and cheap import from Asia.”

He said the union is demanding massive patronage of locally produced textiles by MDAs and the establishment of the Ministry of Textile as it has been done in India, China and Pakistan.

He said the objective of the proposed ministry would be regular upgrading of the textile value chains, improve on labour productivity, maximize value-addition and formulate strategies and programme to enable the textile sector to meet the challenges to attain global competitiveness.

Among other things, the foremost labour leader demanded for a strategic action towards combating smuggling and counterfeiting of textile products, setting up of Presidential task-force, improve electricity supply, training and retraining of the Work Force as well as full revival of textile industry for
Nigeria to be well positioned to trade in fabrics and benefit from the $3 trillion Africa free trade agreement.

“Nigeria needs a radical departure from the age long unhelpful neoliberal economics of liberalization, factory closures and export orientation to urgent diversification, import substitution, re-Industrialization and beneficiation. This is the time to re-inflate the economy as commendably being done by the CBN and not a panicky contraction as wrongly being proposed by the Ministry of Finance,” he stressed.

In his address immediately after the election, the President, John Adaji commended the federal government for the commitment to the revival of Textile Industry through its various policy initiatives such as Cotton, Textile and Garment (CTG) Policy, development financing through the Central Bank of Nigeria (CBN) and Bank of Industry (BOI).

“We appreciated President Muhammadu Buhari for the signing of the Executive Order 003 on support for local content in procurement, forex ban for textile importers, closure of borders to check smuggling, amongst other important decisions to salvage the industry,” he said.

Source: sunnewsonline.com - Mar 29, 2020

***************

Worldwide lockdowns, stimulus shots, raised PPE production

The global response this week to the unfolding COVID-19 crisis saw countries implementing countrywide or partial lockdowns, announcement of stimulus packages and relief measures to tackle the harsh economic impact of the pandemic, further closures of outlets by brands and retailers and accelerated production of personal protective equipment (PPE).

The G-20 countries on March 26 pledged to inject over $5 trillion into the global economy to counter the fallout of the COVID-19 pandemic.

In a statement issued after the extraordinary G-20 virtual summit, its leaders said they will continue with bold and large-scale fiscal support, which will amplify the actions’ impact and ensure coherence.
Brand and retailers dealing with apparel, footwear and fashion across the United States and Europe have mostly closed their stores, either fully or partially, and continue to monitor the situation unfolding. Some fashion houses have taken the initiative to provide medical staff with adequate face masks and protection gowns.

The Organisation for Economic Cooperation and Development (OECD) recently called for sweeping joint action by governments to defeat the threats from the pandemic and better coordinate their efforts. OECD would offer immediate support to policymakers combating the crisis through a new online policy hub.

**Forecasts**

The International Labour Organisation predicted that the resulting economic and labour crisis could increase global unemployment by almost 25 million. World trade may sharply fall due, according to the World Trade Organisation.

Morgan Stanley expects economic growth to dip close to the levels during the 2008 global financial crises and US growth to a 74-year low in 2020. Assuming new confirmed cases peak in April-May, growth should start recovering from the third quarter with an aggressive monetary and fiscal policy response, it said. The key risk, however, is the disruption continuing beyond the second quarter.

Deutsche Bank foresees a severe global recession in the first half of this year, with aggregate demand plunging in China in the first quarter by about 32 per cent and in the Euro Area and the United States in the second quarter, by 24 per cent and 13 per cent respectively. The crisis is crushing global gross domestic product (GDP) growth and the world is in ‘recession territory’, Fitch Ratings said.

CRISIL slashed its base-case GDP growth forecast for India for fiscal 2020-21 to 3.5 per cent from 5.2 per cent earlier. The slump in growth will be concentrated in the first half of the next fiscal, it said. Moody's Investors Service slashed its estimate of India's GDP growth for 2020 to 2.5 per cent from the earlier 5.3 per cent.

Source: fibre2fashion.com - Mar 28, 2020
Texas: Garland apparel manufacturer makes quick shift to PPE production for health care workers

A small family owned manufacturer is making the quick transition from apparel production to much needed personal protective equipment for doctors and nurses battling COVID-19.

Ryan Joaquim owns Cut Form LLC, which specializes in precision cutting of fabrics and patterns. On Saturday, the business was filled with nearly two dozen employees working to fill an order of 15,000 protective face shields.

"The fact that we're helping protect the people who are taking care of the most sick right now, that's just really awesome," Joaquim said, Two weeks ago Joaquim admits being involved in making personal protective equipment was not on his radar.

"If someone told me this is going to be my job, I would probably start researching what PPE is," Joaquim said. He did that, quickly. Not long after he produced a mask, placed it on social media and soon heard from the UT Southwestern Medical Center.

"It took us 24 hours to get an order of 2,000 (face shields), that's how crazy things are at this point," Joaquim said. The face shields went to Clements University Hospital. "It provided a great opportunity to partner with a local small business in challenging economic times to provide for a fast turn of inventory," a spokesperson said.

It's a scene being repeated across the state and the country as manufacturers, including automakers like GM and Ford quickly try to convert to produce masks and ventilators for the billions of pieces of PPE needed to combat the pandemic.

Cut Form LLC says it is already working on the next PPE project, which will include surgical gowns for another North Texas medical system.

"Now we're an essential business," Joaquim said.

Source: wfaa.com - Mar 28, 2020
The second virus shockwave is hitting China’s factories already

Since last week, emails from foreign clients have been flooding into export manager Grace Gao’s in-box, asking to delay orders already made, putting goods ready to be shipped on hold until further notice, or asking for payment grace periods of up to two months.

Gao’s firm, Shandong Pangu Industrial Co., makes tools like hammers and axes, 60% of which go to the European market.

As the virus ravages the continent from Spain to Italy, the shutdowns there are cutting off orders to Chinese factories just as they were beginning to get back on their feet. It’s a story playing out across the country.

“It’s a complete, dramatic turnaround,” lamented Gao, estimating sales in April to May will plunge as much as 40% from last year. “Last month, it was our customers who chased after us checking if we could still deliver goods as planned. Now it’s become us chasing after them asking if we should still deliver products as they ordered.”

This emerging pattern poses a grave risk to the chances the world’s second-largest economy can repair the damage from the closures in February to curb the virus. Even as policy makers including Premier Li Keqiang talk up a recovery and roll out support measures, economists continue to cut their growth forecasts.

“It is definitely the second shock-wave for the Chinese economy,” said Xing Zhaopeng, an economist at Australia & New Zealand Banking Group. The global spread of the virus “will affect China manufacturing through two channels: disrupted supply chains and declining external demand.”

The earliest insight from official data into the emerging pain for industry will come on March 31, when the purchasing managers’ indexes for the month are released. But unless there is a strong rebound, the record slump in profits seen in the first two months of the year is likely to continue.

In the meantime, firms are saying that canceled orders, uncertain logistics and delayed payment have become their latest headaches.
“Manufacturers are seeing many cases where overseas clients regretted their orders or where goods can’t be delivered due to customs closures in other countries,” said Dong Liu, vice president of Fujian Strait Textile Technology Co. in southeastern China. His factory was about to resume full capacity, after the return of workers who had been stranded in Hubei province, the center of the original outbreak. “The dent on export orders is rather serious.”

China is already facing its first quarterly contraction in decades and the weakest year since 1976. In a worst-case-scenario laid out by Bloomberg Economics, recessions in the U.S., the euro-area and Japan will chop some $2.7 trillion off of global output.

The cancellation or postponement of big sporting events, from the National Basketball Association season to the Summer Olympics, has also hit Chinese factories.

”A week or two after returning from Chinese New Year -- starting from mid February -- we started to feel our orders began to disappear one after another,” said Alice Zeng, whose company AQ Pins and Gifts Co. sells metal souvenirs. “First it was some marathons in Japan that were pulled. And then orders in Europe, and then the U.S.”

The firm exports 100% of its products and had been expecting a contract to supply Euro 2020, the now-canceled European football tournament. Her suppliers’ factories in Dongguan, near Hong Kong, are still busy now, but there’s not likely to be many new orders from April, Zeng said.

“Plummeting export growth in coming months is inevitable,” Lu Ting, chief China economist at Nomura International HK Ltd, wrote in a note to clients Tuesday.

A nascent stabilization had been underway this month, aided by the government’s relative success in limiting the disease outbreak. Confidence at small and medium-sized companies rose in March, though it remained at a level indicating contraction. Bloomberg’s suite of early indicators also showed activity rising from the unprecedented lows seen in February.

In Keqiao, Shaoxing, a district on China’s east coast that’s famed for textiles, factories are hurting amid record cancellations of orders. Since factories there re-opened this month, some 78% of companies have seen
reduced orders and 65% have had some existing orders canceled, according to a local industry survey.

The lockdown spreading to many countries is also making delivery uncertain and delaying payments -- another nerve-wracking situation for small enterprises with thin cash flows.

“We have to keep the products even after we ready them,” said Janny Zhou, an export manager at an auto-engine parts maker with 200 employees in the eastern city of Taizhou. “Overall our clients can’t pay us in time because banks are closed and they themselves are asked to stay at home.”

The government is responding to the emerging crisis by focusing on keeping workers in jobs even if their income is cut. Policies including delayed social security payments have been floated in some places, but as yet no blanket measures to keep firms operating through the downturn have been unveiled.

The Ministry of Commerce acknowledged that some export orders have been canceled amid rising external uncertainty, and promised to help exporters with tax rebates, insurance and credit. The government will support companies to build warehouses in some key trading nations and streamline customs clearance, among other actions.

“The worst is yet to come for exports and supply chain,” said Larry Hu, Chief China Economist at Macquarie Group Ltd. “For the whole year, China’s exports could easily fall 10% or probably more.”

Source: iol.co.za- Mar 29, 2020
Indonesia: Textile factories face hurdles as they switch to producing medical gear

Indonesian textile factories are making changes to their production line by producing protective gear for medical personnel and a local start-up is producing test kits to support the nation’s battle against the COVID-19 pandemic. However, producing medical-grade supplies comes with major challenges.

Textile companies were racing to mass-produce masks and protective coveralls for medical workers, said PT Pan Brothers deputy CEO Anne Patricia Sutanto. The company agreed to produce 20 million washable masks and 100,000 jumpsuits by April, as ordered by the government and retailers as demand for personal protective equipment (PPE) skyrockets.

“The workers were initially flabbergasted by our decision. They asked me, ‘Bu, we are a garment exporting company, so how can we produce masks and coveralls?’ but I told them this is a humanitarian emergency and we did it,” she told The Jakarta Post on Thursday. Pan Brothers ordered nine of its factories to produce the equipment.

There is a global shortage of PPE, test kits and ventilators, all of which are crucial in slowing the spread of COVID-19. The Indonesian Medical Association (IDI) announced on March 23 that five doctors had died of the illness, in addition to a nurse who died of COVID-19 on March 12.

As a result of the quick changes in its factories’ production line, the PPE made by Pan Brothers is not officially medical grade as the company does not have a license to test for biocompatibility.

“There is not enough time for us to obtain medical-grade status as we are in an emergency,” Anne said, giving assurances that their masks and coveralls had the same specifications as medical-grade products.

Indonesia was identifying companies that had the capacity to produce PPE, test kits and ventilators to help the nation’s health workers, who had been treating COVID-19 cases since mid-February with inadequate protection, Finance Minister Sri Mulyani Indrawati said on March 26.
“In Indonesia we are taking steps to support companies that produce healthcare equipment. We will list them and see to their needs in increasing their production capacity,” Sri Mulyani told a teleconferenced media briefing after a virtual extraordinary G20 Leaders’ Summit.

Textile company PT Sri Rejeki Isman (Sritex) had been producing coveralls for medical workers since late January and began to deliver the products in the first week of February, the company’s spokesperson Joy Citra Dewi said. “We use a specified waterproof and anti-microbial material that we developed for the PPE,” Joy told the Post in a written statement without disclosing the number of coveralls produced by the company.

Both Sritex and Pan Brothers are facing shortages for medical-grade raw materials, as local producers have been overwhelmed by demands. A limited number of companies can produce medical-grade materials as they require strict standards and certification, Joy said.

“The challenges that are being faced by other companies are the scarcity of materials to produce safe PPE. There is PPE currently circulating in the market that lacks the proper specifications, which could endanger medical personnel,” Joy said.

While basic PPE can be quickly produced by textile companies, local industries are still unable to produce more complex medical equipment such as ventilators and hospital beds.

A lack of technological capability in producing complex medical equipment had become a major hurdle for factories looking to shift their production line, Indonesian Chamber of Commerce (Kadin) deputy chairwoman Shinta Kamdani told the Post in a separate interview.

A mother comforts her daughter, who is undergoing a rapid test for COVID-19 at the Abadijaya community health center in Depok, West Java, on Friday. COVID-19 tests are being held in a number of community health centers in Depok. (JP/Riand Alfiandy)

Shinta said factories across Indonesia faced a decline in production capacity by an average of 30 percent due to disruptions to their supply chains as a result of the coronavirus.
“There are not many industries that are ready to produce medical equipment, especially in this kind of situation. Maybe big corporations have better technology that could be used to produce ventilators or hospital beds, but it’s unattainable for mid-sized companies,” she said.

Carmakers around the world are also shifting gear, producing hospital ventilators and respirators using 3D printing. Ford, General Motors, Ferrari and Nissan, alongside General Electrics and 3M Co., are among the companies that have switched focus.

In Indonesia, PT Toyota Motor Manufacturing Indonesia, a subsidiary of Toyota Indonesia, which manufactures and exports Toyota products, is in talks with the government to produce ventilators.

Meanwhile, Indonesia-based start-up Nusantics is preparing to make 100,000 COVID-19 test kits, in partnership with state pharmaceutical company Biofarma, the Agency for the Assessment and Application of Technology (BPPT) and the Indonesia International Institute for Life Sciences (i3L).

Source: thejakartapost.com- Mar 30, 2020

More woes for Myanmar garment industry as EU cancels orders

More garment factories stopped operations in Myanmar as European Union countries, a major export market, cancelled orders last week amid the spread of the COVID-19 pandemic, a senior industry leader said.

U Myint Soe, chair of Myanmar Garment Manufacturers Association (MGMA), said the EU market accounts for 70 percent of the country’s garment export.

“All operations of the factories that have accepted orders from the EU have stopped. I don’t know how we will deal with this issue,” he said.

The bad news came as the supply of raw materials from China re-started to flow back into the country after three months of stoppage due to the virus outbreak.
“We began to receive raw materials from China. We have no more raw materials problem. Now, the EU no longer accepts our garment exports. It happened since last week,” U Myint Soe said.

“As COVID-19 spread in Europe, all shops closed there. Garment factories in Myanmar face difficulty as they told us not to make the clothes, which they have bought, and not to ship them. This problem is big. That’s why, factories have shut down and reduced their number of workers,” he added.

Among the garment companies that suffered cancellations of orders are the Global Apparel Textile Myanmar Co. Ltd, which no longer has problems with the supply of raw materials but left with huge inventory due to cancelled purchase orders.

Daw Sandar Min, a Yangon regional MP, said another garment firm, the Lat War Co. Ltd., is stuck with 500,000 pieces of garments after a European buyer cancelled the order. Other companies in the same predicaments are Gold Emperor, Hong Text, and Myanmar Irrawaddy.

The shutdown of more garment factories led to more labour unrest, including the strike at the Grand Enterprises Garment Co. Ltd at Yangon’s East Dagon Industrial Zone on Thursday as the company announced a layoff of thousands of workers.

Before the cancellation of orders from the EU, at least 20 out of the 500 factories in Myanmar have shut down due to the pandemic, leaving more than 10,000 workers unemployed, industry sources said.

Since January, 38 cut-make-pack factories that includes the garment factories, have shut down, according to the Ministry of Labour, Immigration and Population. Among these were 22 garment factories. Others reduced the number of workers at their facilities.

U Myint Soe said besides the EU, the US market has also started cancelling its orders.

So far, Japanese and Korean companies have not cancelled their orders.

Source: mmtimes.com- Mar 29, 2020
Pakistan: Govt notifies power tariff relief for major exporters

The government has notified a relief package for the five major export-oriented industries that will receive electricity at a subsidised rate.

According to a notification issued on Friday, the five export-oriented industries will be supplied electricity at 7.5 US cents per unit inclusive of all taxes and duties.

Under this package, the industries include textile, carpets, leather, sports and surgical goods. The package will be applicable from January 1, 2019 to June 30, 2020.

The finance ministry will release Rs23 billion under this package, which is likely to continue in next financial year 2020-21 as well with proposed subsidy of Rs20 billion.

The ECC of the cabinet had approved the relief package for the export-oriented industries on March 11, 2020.
In the wake of the COVID-19 outbreak, the Ministry of Energy, in a separate notification, directed all the power distribution companies to extend the date for submission of outstanding electricity bills for March till April 7, 2020. Electricity consumers will also be exempt from any late payment surcharge.

These industries were committed a fixed all-inclusive tariff of 7.5 US cents per unit (kWh) and a recommendation was submitted for consideration of the ECC.

The economic decision-making body agreed that the five major export sectors would be provided electricity at an all-inclusive rate of 7.5 cents per unit from January 1, 2019 to June 30, 2020.

The electricity bills issued from January 2019 to date, which included surcharges, quarterly adjustments, fuel price adjustments and Neelum-Jhelum surcharge, would be adjusted with a fixed tariff of 7.5 cents per unit.

The Finance Division will pay Rs23 billion in subsidy in FY20 to the Power Division in the first week of July 2020. An amount of Rs14 billion, out of the total of Rs23 billion, will be paid out of the Rs24-billion budget allocation
for the gas sector whereas Rs9 billion will be provided through savings under various heads or savings under the Public Sector Development Programme (PSDP).

For continuation of the relief package in next fiscal year 2020-21, the subsidy will be capped at Rs20 billion.

Source: tribune.com.pk - Mar 28, 2020

***************

**Bangladesh: H&M comes to its garment suppliers’ rescue**

Swedish retail giant H&M yesterday assured its garment suppliers of taking shipment of goods that have already been manufactured, much to the relief of some Bangladeshi exporters.

H&M came up with the message at a time when apparel suppliers across the world, including those from Bangladesh, are being slammed by work order cancellations and delayed shipments.

"We will stand by our commitments to our garment manufacturing suppliers by taking delivery of the already produced garments as well as goods in production," said H&M in a media message.

The Swedish company did not mention any particular supplier from any particular country.

H&M sources garment and textile items worth nearly $4 billion from more than 230 Bangladeshi factories annually, according to industry insiders.

"We will, of course, pay for these goods and we will do it under agreed payment terms. In addition, we will not negotiate prices on already placed orders," H&M said.

At this point, it is necessary to temporarily pause new orders as well as evaluate potential changes on recently placed orders.

"We will start placing orders again as soon as the situation allows," H&M added.
Meanwhile, as of 5pm yesterday, 1,025 factories reported cancellation of 864.17 million units of work orders worth $2.81 billion, according to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

H&M says it is well aware that the suppliers, and their employees, are extremely vulnerable in this situation.

"Given the constantly changing situation and the uncertainty that we, the industry and the whole world are facing, we want to be clear and transparent towards our garment suppliers."

The entire fashion industry now faces its biggest challenge ever, according to the Swedish company.

"And we utilise all our networks and contacts to find solutions that can contribute in the best possible way."

Companies such as H&M play a key role in many developing countries, as well as global trade. The textile industry contributes to economic growth, employment and stability in textile producing countries.

"We are at this instance intensively investigating how we can support countries, societies and individuals from a health and financial perspective. In this first urgent phase, we will focus our efforts on countries that are highly dependent on the textile industry," the retailer added.

Meanwhile, the BGMEA plans to make at least 20,000 personal protective equipment (PPE), which will be donated.

"What we are making is a substitute of Level-1 PPE," it said in a WhatsApp message.

Doctors and staff treating COVID-19 patients need level 3/4.

Source: thedailystar.net- Mar 30, 2020
Bangladesh factories told to operate despite lockdown

Bangladesh has ordered thousands of clothing factories to continue production throughout a 10-day countrywide lockdown in force since Thursday (26 March) aimed at slowing the spread of new coronavirus that causes Covid-19.

In a letter to the president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) today (27 March), the state-run Department of Inspection for Factories and Establishments (DIFE) – part of the ministry of labour and employment – said factories with ongoing purchase orders can continue operating so they can fulfil them. Plants that make personal protective gear, masks and other medical equipment can also stay open.

The DIFE said the owners of these factories must comply strictly with the health safety guidelines issued by the government on preventing the spread of Covid-19 in the workplace, including the government’s Institute of Epidemiology, Disease Control & Research (IEDCR), part of the Centers for Disease Control and Prevention agency.

"If any worker shows minimum symptoms of coronavirus infection, the owners will take necessary treatment facility alongside keeping him under quarantine," said the letter, a copy of which has been obtained by just-style. A BGMEA leader confirmed this letter has been issued. "Those who have orders can keep their factories running," Faisal Samad, senior vice president of the BGMEA, told just-style. "But those who have no orders can suspend work temporarily," he said.

The nationwide shutdown will be enforced until 4 April with the help of the country’s army and police as the south Asian country battles to arrest further transmission of the virus in this densely-populated country of 164m and 1,240 people per square kilometre.

In the meantime, all public transport has been halted, including most air travel, with flights to London and Bangkok the only exceptions.

But the Chittagong port, which handles 90% of the country's export and import trade, remains in operation, with garment exporters facing no disruption in shipments or the import of inputs.
The partial lockdown comes as nearly 1,000 factories with as many as 1.96 million workers reported US$2.67bn in cancelled or suspended orders from retailers and brands who are facing falling sales and store closures as a result of the Covid-19 pandemic, according to a BGMEA estimate.

The president of the BGMEA has urged international apparel brands not to delay shipments or cancel orders, warning that to do so could result in factories failing to pay workers and subsequently create social unrest across the country.

As of 27 March, Bangladesh reported 48 confirmed Covid-19 cases with five fatalities, but public health experts say the number of infections would have been higher had the south Asian country conducted more tests of people with symptoms indicating they have caught the disease.

Earlier in the week Prime Minister Sheikh Hasina announced a BDT50bn (US$590m) stimulus package to help export-oriented industries respond to the Covid-19 pandemic. The money will be used to pay worker wages.

Bangladesh is the world's second largest exporter of ready-made garments after China, with the sector employing more than 4m workers, mostly women. The country generated US$34.13bn from readymade garment exports in the last fiscal year.

Its manufacturers have been vocal about the impact of falling orders from the global coronavirus crisis, calling for short-term financial support to keep the industry alive until this pandemic passes.

Source: just-style.com- Mar 28, 2020
Bangladesh — A survey of factory owners in Bangladesh found that major fashion retailers that are closing shops and laying off workers in Europe and the U.S. are also canceling their sometimes already completed orders, as workers often go unpaid.

A report released Friday by Mark Anner, director of Pennsylvania State University's Center for Global Workers' Rights, says the coronavirus crisis has resulted in millions of factory workers, mostly women from rural areas, being sent home without the wages or severance pay they are owed.

About 4.1 million people work in apparel factories in Bangladesh, the world's No. 2 garment exporter after China. The South Asian country is just beginning to feel the direct impact of the pandemic. But the shocks to its export markets have been cascading into its economy for weeks.

The disruptions from the virus outbreak are straining a fragile supply chain in which big buyers have been squeezing their suppliers for years. The government, having offered huge tax incentives to entice manufacturers and buyers to move to Bangladesh, has scant resources to help protect workers.

More than 1 million garment workers in Bangladesh already have lost their jobs or have been furloughed because of order cancellations and the failure of buyers to pay for canceled shipments. Nearly 60% of the 316 factories that responded to the survey by the Center for Global Workers' Rights and the Worker Rights Consortium, a Washington, D.C.-based labor rights organization, said they had already closed down most of their production.

About 6% of factories have had all orders canceled due to the outbreak, while nearly 46% said they have lost a big share of their orders.

The survey, conducted March 21-25, included nearly 200 large suppliers with more than 750 workers that mainly make garments for European markets.

It found nearly all buyers refused to contribute to wages for those workers, and more than 70% of those furloughed were sent home without pay. Of the workers who were fired, less than 20% were given severance pay, the survey found.
Anner and other labor experts say the big fashion retailers are resorting to “force majeure” clauses in their contracts — usually used in case of natural disasters or war — to justify not paying manufacturers that have already paid for fabric and other materials and labor to make the orders.

Earlier, suppliers were being penalized for late deliveries resulting from difficulties obtaining fabric or other materials due to factory shutdowns and other disruptions caused by the virus outbreak that originated in the central Chinese city of Wuhan.

Factory owners are unlikely to fight back out of fear they might lose future business once the crisis passes. The virus outbreak "is showing us just how extreme that power imbalance is," Anner said. “It’s just an absolute disaster."

The damage is not limited to the garments sector. The International Labor Organization has estimated that 25 million jobs may be lost due to the virus outbreak. Bangladesh, a nation of 160 million, is deploying soldiers and police to enforce a nationwide 10-day shutdown to slow the spread of the coronavirus in the densely populated country. But in an indication of the importance of the garment sector, which provides 80% of the country's export earnings, those factories have been deemed an essential industry.

Kalpona Akter, executive director of the Bangladesh Center for Workers Solidarity group, blasted buyers for canceling orders. “The workers are panicked," she told The Associated Press. “We have a cruel reality here. Simply, they will go hungry, their families will suffer, their children, their parents will suffer for lack of food, medicine. The global brands will lose a fraction of their profit, the owners will also lose their share, but the workers will be left without food and medicine,” Akter said.

The Bangladesh Garment Manufacturers and Exporters Association said that as of Friday orders worth about $2.7 billion had been canceled or suspended, directly affecting nearly 2 million workers. In a video message, its president, Rubana Huq, urged global buyers including H&M and Wal-Mart to not cancel orders and to accept those already finished or under production.

“We will have 4.1 million workers literally going hungry if we don’t all step up to a commitment to the welfare of the workers,” Huq said.
“One thing is very clear, our foremost responsibility was towards our workers. We are a manufacturing country, our reality and your reality is totally different, but it is not a time to point out differences, it’s a time through which we need to work together,” she said.

Bangladesh Prime Minister Sheikh Hasina on Wednesday announced a 50 billion taka (over $600 million) support package for export-oriented manufacturers, mainly apparel makers, to help pay workers. But factory owners say it will only provide about one month’s salary.

“We appreciate the announcement of the prime minister. This is a very good gesture, but I want to say very humbly that it’s very tiny, very small,” said S.M. Khaled, managing director of Snowtex Group. Khaled said his main factory, which employs nearly 10,000 workers, is still running but might have to stop if more orders are canceled.

“Our buyers are suspending orders, the workers are confused, the owners are confused, this is really a very bad time,” he said. “We have imported fabrics and other necessary products for making garments. Now there is a huge backlog," Khaled said. “How will we survive?”

Source: pantagraph.com- Mar 29, 2020

***************

Bangladesh - RMG: Desperate times necessitate innovation

'Desperate times call for desperate measures' is an old adage that was probably derived from another proverb, 'extreme diseases must have extreme remedies'.

The saying, it seems, now best suits the Bangladesh garment industry. Following the coronavirus outbreak, like most other sectors, this lifeline of the country’s economy is in serious trouble.

 Buyers from across the world, who are also in the midst of a crisis of unprecedented scale, have already cancelled orders worth more than 2.0 billion US dollar. Many more have asked for withholding production against their orders. The industry is now bracing for cancellation of more orders as the coronavirus is now playing havoc with life and economy in the USA and Europe, the main destinations of Bangladesh apparels.

***************
In such a situation, a good number of apparel units have pulled down their shutters and many more are likely to follow suit. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the apex trade body of the woven garment factories, has already asked its members to declare layoff in their respective units.

Closing down the factories is not a difficult job. What the owners will be needing to do is to put up a notice at their main entrance to this effect. But what about the wages of more than 3.5 million workers? Will the factory owners be paying their wages throughout the entire lockdown period?

The government has come forward to help the export-oriented industries--the RMG at the top of the list--in their difficult times. The prime minister in her address to the nation last week promised to make available Tk50 billion to the export-oriented industries to help the latter pay salaries and wages to their employees and workers. The money will be provided as loan that carries a nominal interest rate of 2.0 per cent. The Bangladesh Bank will arrange the fund early next month.

However, woven garment factories have another way of surviving this difficult time. The skyrocketing global demand for personal protective gears for doctors, health workers and relevant others has come as an opportunity before them. Some local factories have already started producing the same to meet the local demand and also for export.

The United States has expressed its willingness to buy protective gears from Bangladesh and the latter has agreed to make available, at least, some of those. Many hospitals in the US and other developed countries have been failing to meet the demand for protective gears for their health workers. Some other countries have made similar requests to Bangladesh government recently. Actually, the indication is that the demand for such gears will be even bigger in the coming days.

Bangladesh garment workers are efficient enough to pick up the skill needed to produce quality personal protective equipment (PPE). The main issue here is the availability of materials required for production of PPE.

The BGMEA does need to look into the issue seriously and seize upon this opportunity as a means for weathering a difficult time.
The way things centring around the coronavirus pandemic are moving now, it is difficult to predict what lies ahead. The sight is really dreadful. Within a short very period, the rate of infection among the affected countries has shot up to an unbelievable level.

A good number of countries across the world did not make necessary preparations despite having enough time since the first outbreak of the COVID-19 disease in Wuhan in mainland China in December last. The world's most resourceful country, the USA, is one of those. Rather, President Trump on occasions made fun out of the viral disease and Americans are now paying a heavy price for the administration's lack of preparedness.

It is, in fact, unbelievable that hospitals in many states in the USA do not have sufficient PPE and ventilators to deal with the onrush of corona patients.

Predictions involving loss of lives in the ongoing pandemic are very grim. The COVID-19 is likely to claim lives of millions across the world unless an effective drug is found within a very short time, maybe a month or so. Researchers would surely find a vaccine to stave off corona, but it is not before 10 to 12 months. But that will be too long a time.

Riding out a difficult time is as important as protecting lives from the onslaught of coronavirus. Bangladeshis are resilient people and they have proved their resilience against many odds, including natural ones, time and again.

Hopefully, the common people as well as operators of productive sectors would demonstrate their resilience again and weather all odds. For this, they may have to be desperate as well as innovative.

Source: thefinancialexpress.com.bd- Mar 29, 2020

***************
NATIONAL NEWS

Covid-19: India urges FTA partners to temporarily allow imports without certificate of origin

The document is important to claim duty concessions under FTAs

India has urged the countries, with which it has free trade agreements (FTAs), to allow imports of goods without certificate of origin for the time being as the domestic authorities are currently not issuing the document on account of lockdown due to Covid-19 pandemic.

An exporter has to submit a certificate of origin at the landing port of the importing country.

The document is important to claim duty concessions under FTAs. The certificate is essential to prove where the goods come from. It also helps in checking dumping of cheap and sub-standard goods from a third country.

On account of lockdown/curfew in India due to Covid-19 pandemic, the Indian agencies authorised to issue the certificate of origin under India’s free trade agreements (FTAs), comprehensive economic cooperation agreements (CECA), comprehensive economic partnership agreement (CEPA) and preferential trade agreements (PTAs) are temporarily “closed” and unable to issue the certificate of origin, according to a trade notice by the Directorate General of Foreign Trade.

“In view of these exceptional circumstances, the certificates would be issued retrospectively by the concerned Indian agencies after they open their offices. “Therefore, in the interim period, the customs authorities and other competent authorities in the trading partners with whom India has a trade agreement may kindly allow the eligible imports under preferences on a retrospective basis subject to the subsequent production of the certificates of origin by the Indian exporters,” it has said.

The notice said that India would also honour its preferential trade agreement imports, subject to the respective governments also making a formal request or putting up a notice in this regard for accepting these certificates on retrospective basis.
Under these trade agreements, two or more trading partners significantly reduce or eliminate import duties on maximum number of goods traded between them.

India has implemented such agreements with ASEAN, Singapore, South Korea, Japan, Sri Lanka, Thailand, and Malaysia, among others.

Source: thehindubusinessline.com- Mar 29, 2020

***************

**Foreign trade policy, schemes to be extended by 6 months till Sept 30**

Some more measures are also expected to be provided to exporters to ease strain caused by the outbreak.

Amid coronavirus outbreak, and the subsequent national lockdown to prevent its spread, the government has decided to extend the existing foreign trade policy (2015-20) for six more months till September 30, 2020, an official told news agency PTI. Similarly, all the existing schemes under the policy will be extended till September.

Some more measures are also expected to be provided to exporters to ease strain caused by the outbreak, the official added.

Meanwhile, the commerce ministry is already in consultation with all stakeholders for the preparation of the next policy (2020-25), as the validity of the current one ends on March 31, 2020. The ministry’s arm directorate general of foreign trade (DGFT) is formulating the policy.

At present, tax benefits are provided under merchandise export from India scheme (MEIS) for goods and services export from India scheme (SEIS).

Exports during April-February this fiscal dipped by 1.5 per cent to $292.91 billion. Imports during the period declined by 7.30 per cent to $436 billion, leaving a trade deficit of $143.12 billion.

Source: business-standard.com- Mar 27, 2020
COVID-19: Normalcy To Return To India’s Industrial Sector, Says Report

Since the outbreak of COVID-19 contagion assumed dangerous proportions, stock markets across the globe have been bleeding post Valentine day (February 14) and everyone associated with it have been forced to undergo quarantine in terms of their investment.

With the COVID-19 outbreak declared as a pandemic by the World Health Organisation (WHO), panic gripped the financial markets across the globe including Indian markets.

The volatility witnessed is on account of several reasons. The first and foremost reason is that there is a strong fear that World economy will grow at a tepid pace in next four to six quarters.

In the following lines we make an attempt to analyse how this slow-down, particularly in Chinese industrial sectors, will impact Indian companies operating in these sectors and its resultant impact on their earnings based, on research undertaken by prominent brokerage houses; Geojit Financial Services (Geojit), JM Financials (JM) and leading rating agency CRISIL.

**Chemicals** – Near-term impact but spurt in international prices to benefit

Geojit in its report said, Indian chemical industry sources raw material from China, but most companies have adequate inventory to cater to demand in the near-term (at least for the current quarter) and with gradual resumption of work in Chinese factories, supply issues are expected to be resolved.

Additionally, crude derivatives as raw material for chemical companies will be positive for the gross margins given drop in oil prices. Domestic specialty and Agro-chemicals players with strong supply chains and backward integration are likely to benefit.

The feedbacks received from the traders of fluorspar indicate that prices have increased by c.20 per cent in the past two weeks as the stocks are very low. They expect the supply to restart only in April.

Over the last few days, as COVID-19 started subsiding in China, the prices of some of the basic chemicals have begun to drop, JM Financial (JM) said in its report.
Pharma – Mixed gains and losses

Geojit report said, most Indian pharmaceutical companies are export oriented with high exposure to US and Europe. These economies are expected to slow down with precautionary measures on trade, which could have a cascading effect on domestic pharma manufacturers.

At the same time prices of raw materials like APIs have increased due to cut in availability from China which is the largest source, impacting profitability of the sector.

On a positive note, these raw materials are derivatives of crude oil and the current huge drop in oil prices will benefit them in the medium-term as businesses normalise. Supply bottlenecks of APIs are expected to be resolved as soon as Chinese factories resume production.

JM Financial said, though companies have stated that the manufacturing of APIs has gradually resumed in the affected regions of China, albeit with fewer workers now reporting to work, companies are yet to receive incremental supplies from China.

Companies have attributed this to the possibility of the first batch of supplies being directed to higher realization geographies.

CRISIL report said, India imports 69 per cent of its total pharma-bulk drugs intermediates from China Players have sourced their raw materials and created buffer stocks for 2-3 months, ahead of holiday period in China. It is expected to have neutral impact in wake of adequate inventory stock.

Auto ancillaries impacted due to high exposure in China, US and Europe

Impacted by supply chain issues, the currency depreciation is also likely to increase the raw material cost, as most of the companies have 10-15 per cent import content.

The industry is reeling under the pressure of lower sales due to increase in vehicle cost (owing to BS-VI transition) and competition in the last one year.

The industry is looking at the impending scrappage policy which is due to be announced by the government in the near future, Geojit in its report said.
On the basis of our checks with Original Equipment Manufacturers (OEMs), JM said in its report that current status of supply chain disruption arising from COVID-19 for the automobile sector is as follows: a) Companies are not anticipating major impact on production till end of Mar’20, b) Supplies from China have resumed as supplier plants are back online albeit at a lower capacity, c) Companies are making alternate sourcing arrangements (in case it is needed), d) In case of critical components, companies like JLR and Bajaj Auto are airlifting components, e) Companies like Maruti Suzuki India (MSIL), which have limited sourcing from China are closely monitoring situation in Italy as certain CNG related parts are sourced from Italy and, f) BS6 ramp-up is happening along with improvement in supplier position in China easing the condition for few OEMs.

India imports 18 per cent of its automobile components and 30 per cent of its tyres requirements from China. The inventories for these two segments are sufficient for the short term, but lack of single critical component can hurt OEMs. Local Indian auto-component manufacturers can not immediately capitalize on the void created by China as it takes time for OEMs to recalibrate their supply chain, CRISIL report said.

**Textile & apparel affected due to high dependence on China**

Being export oriented and also with high exports exposure to China, demand outlook remains subdued. The companies could not emerge as an alternate destination for the global textile industry because of dependence on inputs from China like zippers, buttons etc.

Withdrawals of key incentive schemes like Merchandise Export from India Scheme, indicates lower earnings outlook. Apparel business in India will benefit in the long-term as client’s interest to shift business from China to other emerging countries like India.

After an initial delay due to COVID-19 impact, shipments from China to the US have resumed to normal levels. Feb/Mar’20 has seen strong home textile demand in US due to higher than average stocking by global retailers, as per our channel checks, said JM in its report and added this demand is likely to taper off in Q2CY20.

The sector’s dependency on exports is low. India exports 1 per cent of total ready-made garments (RMG) it produces annually to China. Due to rising costs, sourcing of apparel is shifting to low cost destinations such as India.
COVID-19 outbreak is expected to provide further opportunities for the Indian Textiles and RMG sector, CRISIL said in its report. However, for Textile Cotton Yarn sector it said, the sector is highly dependent on exports as China’s share is high at 27 per cent of total export of cotton yarn.

Decrease in India’s exports to China will put further pressure on domestic prices of cotton yarn, which is negative for the sector. Effectively, this will lead to lower margins of cotton yarn players.

**Metal - demand and price pressures, but domestic opportunity intact**

Geojit report said, Demand is expected to be downward for the Metals sector due to lower global growth which may affect pricing power of metal stocks. Currently, imports from China are at around $5,500 million while exports are below $800 million, which signifies a huge opportunity for Indian players to cater to domestic demand. However, the virus spread along with Macro headwinds could affect domestic steel consumption and add volatility to steel prices.

**Banking and finance - fall in global interest yield is the concern**

Fall in international bond yields indicates high increase in global financial & economic risk, which could be the highest concern for Indian banks, though Other Income will spike for banks due to treasury gains. Apart from the increased systematic risk, PSU banks are currently undergoing structural change with the planned mergers, while stressed asset concerns persist for Banks and NBFCs. The recent Yes Bank issue has highlighted operational risk of small private banks. Considering the Gold prices, NBFCs with gold as collateral are much better placed than their peers.

**FMCG & consumer durables face limited impact**

Although there will be a marginal fall in general consumption and demand slowdown, the sharp decline in crude will benefit the industry with reduction in packaging and transportation costs.

Companies have seen limited impact on account of supply chain disruptions because of inventory build-up ahead of season. However, prolonged disruption can have an impact and associated cost increases. “We can expect stable growth in business while high valuation will be a deterrent to perform in the short-term”, Geojit said in its report.
India imports 45 per cent completely built units (CBU) of consumer durables from China. In addition, India also imports bulk of consumer durables components from it.

Players have already stocked inventory, so impact will be felt only towards the end of Q4 FY20. Product prices could rise in coming months (April-May 2020). The hike in GST rates from 12 per cent to 18 per cent recently will also increase prices of mobile handsets.

India had a very high dependency on China in case imports of Electronics (including mobile handsets). It imported around 67 per cent of its requirements in FY’19. Though India progressed from assembling to manufacturing of low-end electronic components, import dependency remains high. Such high dependency on imports with some critical components being produced with China is expected to have significant impact, CRISIL said.

**Oil & Gas - positive for refiners while negative for explorers**

The overall demand outlook has weakened which will reduce consumption from Industries and Retail. The crude oil price correction has a mixed impact on oil & gas companies.

Upstream companies will see revenues negatively impacted on account of lower oil prices while downstream companies will benefit from lower costs of refining and hence Gross Refining Margins (GRM) and marketing margins will improve, the Geojit report said.

India exports 34 per cent of its total petrochemicals output to China. Exports to China would be hit; finding new markets immediately is monitored. Indian petchem is unable to capitalise on COVID-19 effect, due to high utilisation. Petrochemicals prices and margins will be under further pressure due to the virus.

In case of Plastics, India imports 44 per cent of its total plastics requirement from China. It is going to have positive impact on domestic Plastic industry as reduction in cheap Chinese imports will benefit domestic manufacturers, CRISIL report estimated.
Entertainment, aviation and tourism are negative due to restriction on public gathering

Fear of the virus spread and restrictions placed will impact entire hospitality sector which includes movie box office collections, movie distribution income, advertisement income for movie houses and media companies and also impact sectors like amusement parks.

Travel restrictions are likely to have material impact in near term due to flight cancelations leading to lower utilizations and other associated costs offsetting any gains in fuel input costs. The closure of borders and restrictions on travel will have an impact on tourism and its allied sectors.

Gem and Jewellery:

India is highly depended on China with respect to diamond, as it exports 36 per cent of its polished diamonds to China. Share of diamond exports to the region has been declining for some time due to reasons other than COVID-19. Nonetheless, rescheduling of the Hong Kong International Jewellery Show and aftershocks of COVID-19 will adversely impact exports and dampen the domestic industry in Q4 FY20, CRISIL said.

Shipping and Logistics:

Over 90 per cent of the global trade is via sea. China is key consumption centre for bulk drugs and containers. China accounts for 70-75 per cent of iron ore trade, 20-25 per cent of coal trade and 25-30 per cent for crude oil globally. The COVID-19 outbreak is expected to keep the demand and freight rates low in the short term for the sector, CRISIL report concluded.

The impact of recovery in Chinese Industrial sector on Indian Corporates is expected to be mixed and looking at the way efforts undertaken by Chinese authorities to take control of the COVID-19 situation and their high success rate, firms up the optimism that normalcy should return sooner than later, Geojit Financial Services said in its report.

Source: outlookindia.com- Mar 29, 2020
Workers at spinning mills staring at a bleak future

The lockdown is estimated to have rendered 50,000 workers unemployed. The ongoing lockdown and a U.S-China trade war have dealt a double whammy to the industry.

Over 50,000 migrant daily workers from Tamil Nadu, Odisha and other States are staring at a bleak future, with 120 spinning mills in the district shutting down since March 25 in the wake of an ongoing nationwide lockdown aimed at curbing the spread of COVID-19.

The lockdown comes on the back of an unprecedented crisis that has gripped textile mills as they have declared production holidays owing to a hike in minimum support price and the U.S.-China trade war which has affected exports to China. Now, with exports to China coming to a complete halt due to COVID-19, the spinning industry has gone into a tailspin.

“China has been a major importer of cotton for several years, and the ban on exports has hit the industry hard. The domestic demand has also slackened due to stiff competition. Moreover, the cost of production is also going up,” said chairman of A.P. Spinning Mills Association, Lanka Raghurami Reddy.

Even the prices of candy have gone up by 25% with each candy fetching ₹43,000. The delay in release of power subsidies to the tune of ₹1,200 crore has come as the final nail in the coffin, forcing millers to shut down the mills. The industry has also been hit due to delay in payments from the U.S. and Europe, and many spinning mill managements are not in a position to repay loan instalments and loan interest amounts.

The spinning mill associations have urged Chief Minister Y.S Jagan Mohan Reddy to release outstanding subsidies which were not paid by the previous government for the last four years, and have also sought deferment of payment of power bills to discoms for 3 months without interest and suspend the rule of payment for minimum consumption units and minimum MD charges.

Further, Mr. Raghurami Reddy has requested the State Government to recommend to the Union government a waiver of interest payment on all loans of textile units, including CC limits, for six months, and a moratorium of two years for the existing term loans.
Cotton yarn from A.P. is known for its superior quality, and every day, four million kg of yarn is produced. Indian Cotton, known for its fine texture, used to be exported to China but with the ongoing U.S.-China trade war continuing, the exports have almost come to a standstill.

Source: thehindu.com- Mar 29, 2020

Krishnapatnam Port declares force majeure

Krishnapatnam Port Company Ltd has notified force majeure at the port located in Andhra Pradesh’s Nellore district, joining other private ports in declaring the event as the Coronavirus crisis roils India’s export-import trade.

“In view of COVID-19 pandemic, Port hereby notifies the "Force Majeure Event", wherein port will not be responsible for any claims, damages, charges, etc. whatsoever arising out of and/or connected to the above Force Majeure event, either directly or indirectly, which without any limitation would include vessel demurrages, inter alia due to pre-berthing or any other delays of whatsoever nature and accordingly the discharge rate guaranteed under the agreement shall also not be applicable for all vessels to be handled at the port for any delay or disturbance in the port services during the Force Majeure period,” Krishnapatnam Port Company Ltd said in a notice to port users and customers.

Krishnapatnam Port is 75 per cent owned by Adani Ports and Special Economic Zone Ltd (APSEZ), India’s biggest private port operating company.

The state government and the district administration has taken drastic measures to lockdown the area which has resulted in unprecedented constraints in movement of man and material to and from port. These may result in the port not being able to perform its obligations under the contract with you, it said.

“Since the impact is ongoing, the port shall notify of the "Cessation of Force Majeure" based on further notifications / directives from the Central Government and State Government as the case may be,” it added.
Port Services are categorized as essential services and therefore, in the interest to protect and secure the supply chain of industries, it was endeavouring to continue port operations with the support of government authorities, the company added.

Source: thehindubusinessline.com- Mar 29, 2020

Raw cotton transport, yarn production hit during lockdown, say textile companies

They said transportation of raw cotton, mostly grown in Maharashtra and Gujarat, to spinning mills is also a major problem now.

The textile trade, particularly the hosiery sector, is in a crisis as production of yarn in factories came to a halt in the wake of the 21-day nationwide lockdown, industry experts said on Saturday.

They said transportation of raw cotton, mostly grown in Maharashtra and Gujarat, to spinning mills is also a major problem now.

"Raw cotton is available in Gujarat and Maharashtra. As the spinning mills are closed due to the lockdown, production of yarn has been greatly affected," hosiery manufacturing company Dollar Industries MD Vinod Kumar Gupta told PTI.

He said labourers, who were staying nearby factories and elsewhere, have gone to their native villages and home towns, following the coronavirus scare. Not only cotton, the entire textile industry across the country is hit as factories are shut during the lockdown imposed to contain the coronavirus outbreak, Gupta said.

"Labourers migrated to their home towns. Nobody knows how long the lockdown will continue. Next five to seven days will be crucial," he said.

Another fabric manufacturing company, BSL Limited's chairman and Managing Director Arun Churiwal, whose factory is located in Rajasthan, stated that it is not the cotton industry only, the entire textile sector has been bearing the brunt of the COVID-19 crisis.
There has been a bumper crop of cotton this October, but the problem is lack of buyers. "Godowns are full. Yarn is not being produced and dispatched. So production of finished products and sales are also not happening," he told PTI.

This is a problem for the whole textile industry, Churiwal added. RBI has given certain relaxations in working capital norms, he said, adding that it will give "the industry a breather". Churiwal also urged the textiles ministry to provide assistance from the Technology Upgradation Fund (TUF) scheme to overcome the crisis and demanded immediate release of GST refund to the textile industry.

Source: newindianexpress.com- Mar 28, 2020

Struggling cotton industry braces for uncertain future

The ongoing lockdown and the absence of a fresh stimulus package so far could severely impact the agricultural sector, and especially the cotton industry, farmers’ groups have warned.

There have been no restrictions on transport or sale of farms produce like fruits, vegetables, pulses. But farmers said they have been hit by losses because of the curbs on movement of buyers. Exports have been shut and many of the Agriculture Market Produce Committee markets have closed.

According to Kailash Tawar of the Shetkari Sanghatna, the farming community has suffered a severe blow. He also slammed the government for not declaring a stimulus package.

“The only announcement for farmers was the advance payment of Rs 2,000 under the PM-Kisan scheme. But this works out to only Rs 500 a month for farmers. Also, not all farmers are covered under the scheme,” he said. The Shetkari Sanghatna has demanded that the state pay a compensation of Rs 25,000 per hectare.

Cotton farmers have been particularly affected. Mahesh Daga, the MD of Cottonguru LLP, which works with 50,000 farmers across India to improve yield and quality, said because cotton is a non-essential commodity, farmers growing the crop are extremely worried.
“As much as 15% of cotton produce, which includes the harvested and the non-harvested crop from the last season, is currently stuck with farmers as they are not able to transport or sell it. Limited farming operations to meet the minimum support price were on until last week. But they too have stopped now,” Daga said.

As far as the forthcoming kharif season is concerned, the production of cotton — a cash crop — remains in limbo because the seed packaging operations have ground to a halt. A key amendment in a state government circular from March 27 includes logistics and packaging of seeds, fertilisers and pesticides in the list of essential commodities.

. “Retail of seeds was allowed, but there was no provision to manufacture or package these seeds. After Cottonguru made a presentation before the agriculture commissioner, the government allowed these processes in the seed industry,” Daga said. The byproducts of cotton ginning are essential commodities with multiple uses.

Source: timesofindia.com- Mar 30, 2020

Government’s efforts to rope in new players to produce masks, protective gear see limited success

Non-availability of machinery, raw materials and labour during lockdown proves a challenge

The Centre is making efforts to rope in new players for production of masks and gear to protect health workers against Covid-19, but it is proving to be difficult under the current lockdown.

While some textile companies are keen to diversify into safety equipment to help bridge the domestic shortfall, many are being constrained by non-availability of machinery and raw materials.

Sanjay Jain, MD of a Delhi-based vertically integrated textiles company, said: “We need specific machines to make masks. We have checked with suppliers from China and it is not available at the moment. Even if we somehow import, it will be difficult to get them cleared and move them out of ports.”
Moreover, with no production taking place in factories due to the lockdown, many workers have left for their home towns and villages and there is not enough labour to produce masks, he added.

**Special committee formed**

The Textiles Ministry has formed a special committee to enable textile producers switch over to production of masks and some like Welspun and Limerick have responded positively.

BK Goenka, Chairman, Welspun Group, said: “We have been making smart non-woven products and medium for diverse applications around safety clothing, filtration, personal hygiene and cosmetic segments. Manufacturing face masks and disinfectant wipes is a natural extension for us.”

Goenka said although the company was using technology and skill-set that are not optimised for the new products, it could manage to build a pipeline of a few hundred thousand masks in the coming weeks. “However, the current lockdown poses its own challenges for sourcing key ingredients and managing workforce. For this, we are working with the government and local authorities,” he said.

A premium fashion label Limerick, in India, has also chipped in and decided to donate 3,000 surgical masks to healthcare officials at Kasturba Hospital in Mumbai after March 31.

**Special material**

But, such success stories are limited in the current lock-down situation. There are industry players who have the equipment and machinery capacities that can be switched to making protective gear but they will require to import special material for making such products, which is difficult.

Harkirat Singh, Managing Director, Aero Club, said: “We have experience in making adventure and outdoor specialty apparel products and this equipment and technology can be used to make protective gear apt for medical purposes. But we will need to import specialised material. This cannot be done overnight and will take time.”
Another textile producer in Delhi NCR pointed out that it was approached by Invest India, a non-profit agency to promote and facilitate investment under the Department for Promotion of Industry and Internal Trade, to look at the possibility of producing masks, but has not had much success yet.

“We have production capacities and would like to help the country in this time of need by manufacturing masks and other protective gear. But we don’t have either the machinery or the raw material to do so and don’t know where to procure it from in this time of lock-down. If the government provides us with the inputs we can start producing,” he said.

Source: thehindubusinessline.com- Mar 28, 2020

Exporters seek permission to operate factories in pandemic times

FIEO asked for extension in pre- and post-shipment credit by a minimum of 180-270 days, waiver of PF/ESI charges for all industry from March to June 2020 as industry will bear the wage cost during the period of lockdown with no or less business affecting their liquidity.

Exporters are asking for a host of steps such as allowing them to operate their factories with minimum workforce, subsidy on interest rates, and extension of incentive schemes in order to deal with the coronavirus crisis.

These demands were raised during a video conference meeting called by Piyush Goyal, minister, commerce and industry. The minister spoke with representatives from various export promotion councils (EPCs) from across the country, to assess the impact of coronavirus and lockdown in the country.

The councils apprised the impact of the pandemic on their activities and businesses, and made a range of suggestions to overcome the hardships.

“Export-import is an important activity of the country, and at the same time, lockdown was necessary for the safety and health of 130 crore Indians. So a fine balance has to be maintained and solutions found to reduce the difficulties,” said Goyal.
He said the suggestions made in the conference will be taken up in right earnest and action will be taken soon. He assured the councils that the government will try to be accommodative with their reasonable demands, and come out with practical outcomes.

During the meeting, the Federation of Indian Export Organisations (FIEO) suggested that, all manufacturing companies in exports should be allowed to operate with 50 per cent of the manpower with full sanitation and safety with social distancing norms as loss in exports will result in market loss which will be extremely difficult to recover.

Ajay Sahai, director general, FIEO, said, “Our loss will be China’s gain which is using all means to gain greater market access with increased incentives.”

The other recommendations made by them include extension of the Foreign Trade Policy 2015-2020 by one year, extension of interest subsidy scheme for 2020-25 with effect from April 1, 2020, amnesty scheme for regularisation of default by payment of only customs duty without interest and penalty to lessen the burden on industry.

Sahai also said that, all agencies involved in exports and imports including customs, freight forwarders, transporters, shipping lines, courier companies, plant quarantine, certificate of origin issuing agencies should function with minimal staff, since if one of them is not functioning, the export-import chain is broken.

FIEO asked for extension in pre- and post-shipment credit by a minimum of 180-270 days, waiver of PF/ESI charges for all industry from March to June 2020 as industry will bear the wage cost during the period of lockdown with no or less business affecting their liquidity.

Ludhiana-based exporter S C Ralhan suggested that, fixed charges levied may be waived and industry may be charged only on the actual consumption of electricity and immediate refund of IGST will help exporter in dealing with liquidity issues.

“These measures are important for the export sector as it contributes significantly in the country’s economic growth. Without these measures, the sector will face major problems,” said leading footwear exporter and chairman of Chennai-based Farida Group, Rafeeq Ahmed.
Export Promotion Council for SEZs and EOUs, vice chairman, Bhuvnesh Seth said that, steps need to be taken for special economic zones and export oriented units (EOUs). He pitched for extension of income tax benefits and other incentives till March next year, continuation of MEIS export incentive scheme and zero rent at least for MSME for lockdown period.

“In view of lockdown, we humbly request for extensions of sunset clause for SEZs till March 31, 2021, direction should be given to clear import containers or demur-rages applicable of shipping companies or ICD (Inland Container Depot) to be waived off during the lockdown period.

Units export consignments worth crores are palletised ready to stuff in containers for dispatch with time-bound delivery. Request to issue instructions to MHA (Ministry of Home Affairs), state governments and customs to move such containers for dispatch,” he added.

The organisations that took part in the video conference included from sectors such as leather, apparel, sports, electronics, telecom, silk, gems and jewellery, cashew, and plastics.

Despite exports and imports growing at the same rate of 9 per cent, India’s trade deficit reached a record high of US $176 billion in 2018-19. According to data released by the commerce and industry ministry on Monday, exports stood at US $32.55 billion in March, taking the total tally in 2018-19 to US $331 billion.

Major group of exports are organic and inorganic chemicals, engineering goods, textiles, drugs and pharmaceuticals and petroleum products.

Source: navhindtimes.in- Mar 30, 2020
Government under pressure to declare Force Majeure at 12 major ports

Pressure is mounting on the shipping ministry to declare force majeure at the dozen ports run by the Central government amidst a 21-day nationwide lockdown to check the spread of Corona Virus.

Force Majeure is a clause that absolves firms from meeting their contractual commitments for reasons beyond their control.

Many of India's private ports have declared Force Majeure at their facilities.

“It is humanly not possible to practice social distancing in cargo handling where manpower is used in large numbers. Hence, we had requested all port managements to permit only mechanical handling of cargo where the deployment of labour is minimallved,” K V Krishna Kumar, President, Federation of Associations of Stevedores, wrote in a letter to the Shipping Secretary Gopal Krishna.

With the port managements and the ministry not agreeable to this request from the Stevedores Federation, it has now urged the government to declare Force Majeure at all major ports.

“Declaring Force Majeure would protect the manual labour as they need not work and it would protect all the exporters and importers from unaffordable demurrage charges payable to ship owners,” Kumar wrote in the letter.

“It cannot be forgotten that the exporters and importers are the valued customers and users of ports and it would be in the interest of the ports to protect the interests of the customers,” he stated.

The exemption of port services as “essential service”, according to Kumar, should not be used “indiscriminately in the present conditions”.

“It should be used only for handling of essential commodities and handling methods where the engagement of labour is minimal and social distancing is possible like oil, gas, conveyor handling systems and containers,” he added.
With ports coming under the ambit of essential services, state-owned Jawaharlal Nehru Port Trust said it is “fundamental” to keep the supply chain operational while also protecting JNPT’s employees and users.

“The Port has already undertaken several preventive measures to equip and protect its workforce. All our buses and workplace are being sanitized regularly. These measures are expected to limit the impact of the outbreak while also protecting the trade channel from any disruptions,” JNPT Chairman Sanjay Sethi said.

Sethi also assured the EXIM community that “there will be no disruptions in operations at the port or any other terminals at JNPT and the port remains fully operational and will continue to operate as per schedule”.

Source: thehindubusinessline.com- Mar 28, 2020

*******************

India scraps royalty fee on Bt cotton to GM tech giant, Indian seed companies to benefit while farmers’ wish ignored

Indian seed manufacturers, for the first time, will now not have to pay any royalty on existing Bt cotton (BG-II variety) seeds to multinational company which provided the technology as Union agriculture ministry has announced new seed price of transgenic variety for the year 2020-21 keeping ‘trait value’ (royalty) at zero.

Since the ministry has kept the maximum sale price of cotton seeds unchanged at Rs 730 per packet of 450 grams, the benefit of zero royalty will not be passed on to the farmers unless seed manufacturers reduce the price at their end.

The farmers will continue to pay the same price in 2020-21 crop year what they had to pay during 2019-20 cotton growing season.

The benefit of unchanged price will, in fact, only go to Indian seed manufacturers. The ministry could reduce the trait value from Rs 20 per packet in 2019-20 to zero in 2020-21, keeping the maximum sale price to farmers unchanged, as patent right of GM technology developer is now reportedly expired. The ministry notified the price on March 24.
“We must thank the agriculture minister Narendra Singh Tomar for declaring zero trait value of BT Cotton seeds. Now no money will go to Monsanto (now under global agri seed and agro-chemical major Bayer). We at Swadeshi Jagran Manch (SJM), had been fighting for it for long,” said Ashwani Mahajan, national co-convenor of the SJM -- a RSS-linked body on economic policy issues.

He said the Indian seed manufacturers must now pass on this benefit to farmers by selling the seeds below the maximum sale price. “We demand that all Rs 8,000 crores collected from farmers as royalty be returned forthwith,” said Mahajan.

Cotton farmers of Maharashtra believed that merely keeping the trait value at zero would not help them unless seed manufacturers reduce the price and government takes steps for making new technology available.

Ramkrishna Patil, a big farmer of Pandharkawda in Yavatmal district, said the notification of new maximum sale price of cotton seeds would only benefit seed manufacturers. “It is, however, a consolation for us that the price is, at least, not increased this year as being demanded by the seed manufacturers,” said Patil who grows Bt cotton in 50 acres of land.

Vijay Niwal, another progressive farmer who cultivates cotton in 35 acres of land in Hiwari village of Yavatmal district, said the notification of seed price showed that the government was only concerned about seed manufacturers as zero trait values would only benefit them as they won’t need to pay royalty to technology developer.

“It also shows that the government is not at all concerned about bringing new technology in the country. Farmers desperately want new technology. Unless the technology developers get royalty, they won’t bring new variety. We will all have to face its consequences in due course,” said Niwal.

Farmers need two packets of cotton seeds for one acre. In Maharashtra, over 87% of cotton farms are under Bt cotton.

Source: timesofindia.com- Mar 29, 2020
Labour Ministry notifies provision for non-refundable withdrawal from EPF

New norms come into effect from March 27

The Labour Ministry has notified norms for withdrawal of money deposited in Employees’ Provident Fund (EPF). New norms will come into effect from March 27.

“The Commissioner or, where so authorised by the Commissioner, any officer subordinate to him, may, on an application from any member of this Scheme employed in any establishment or factory located in an area declared as affected by outbreak of any epidemic or pandemic by the appropriate Government, permit a non-refundable advance from the provident fund account of such member not exceeding the basic wages and dearness allowances of that member for three months or up to seventy-five per cent of the amount standing to his credit in the Fund, whichever is less,” a notification issued by the Ministry read.

Follow-up measure

This notification is a follow-up to Finance Minister Nirmala Sitharaman’s announcement of measures last week. Though Government has appealed to all industrial units, be it in private sector or in public sector, not to retrench any worker or cut his/her salary.

Nevertheless, there is widespread fear that there could be job loss or even wage cut in many of the sectors as nearly 70 per cent economic activities have come to standstill as a result of the 21-day nationwide lockdown to contain the spread of Covid-19.

Covid-19 has been declared a pandemic by appropriate authorities for the entire country and therefore employees working in establishments and factories across entire India, who are members of the EPF Scheme, 1952, are eligible for the benefits of non-refundable advance.

A sub-para(3) under para 68L has been inserted in the EPF scheme, 1952. The amended scheme Employees Provident Fund (Amendment) scheme, 2020, has come into force from March 28, 2020.
Following the notification, EPFO has issued directions to its field offices for promptly processing any applications received from EPF members to help them fight the situation. In its communication, EPFO has stated that officers and staff must process claims of EPF subscribers promptly so that relief reaches the worker and his family to help them fight the pandemic.

Source: thehindubusinessline.com- Mar 29, 2020

Kashmir handicrafts, handloom departments merge

The Administrative Council (AC) of Jammu & Kashmir (J&K) union territory recently approved the merger of J&K Handicraft (S&E) Corporation and J&K Handloom Development Corporation into J&K Handloom and Handicrafts Marketing Corporation (JKHHMC). There will be two directorates at the divisional level, one for Kashmir and the other for Jammu.

Showrooms of JK Industries will be transferred to the new corporation. There will be eight regional deputy directorates at Anantnag, Budgam, Baramulla and Bandipora in Kashmir and Kathua, Udhampur, Rajouri and Doda in Jammu division, according to media reports from the state.

The decision is aimed at augmenting resources and manpower and bring synergy in the activities of the two sectors.

It will also address challenges like lack of brand image, bulk production capacity, checking fake products, absence of e-marketing and competition from machine and power-loom products.

The Administrative Council also approved the formation of a committee to be headed by the administrative secretary, industries and commerce department, to work out the modalities of the merger and amalgamation of the staff of the two corporations.

Source: fibre2fashion.com- Mar 28, 2020
In India’s fight against COVID-19, a made-in-Punjab hazmat armour

Phagwara-based Jagatjit Cotton Textiles (JCT) Mills Limited is all set to supply personal protective equipment (PPE) for medical professionals and frontline workers engaged in testing and treatment of COVID-19 patients.

The PPE suit, also known as hazmat (hazardous materials suit), by JCT Mills has been cleared and certified for production by SITRA (South India Textile Research Association (SITRA) Coimbatore) — an industry sponsored, Union government supported renowned research institute in the textiles sector.

The suit is indigenously designed and all the raw material will also be sourced from India only, JCT Strategic Business Development Director Priya Thapar told The Indian Express.

“We have already started the production of hazmat at JCT Phagwara,” Thapar said, while adding that negotiations and communications were on for the quantum of order with the Centre.

Incidentally, Phagwara is located in Doaba region of Punjab, which is currently the epicentre of coronavirus cases in the state.

Thapar said that JCT Phagwara with its associates can manufacture “one million protective suits in a month”.

She thanked both Central and Punjab governments for “supporting the JCT in the innovative product, 100 per cent polyester full body suit with built in hood to cover head and a shoe cover”. Thapar added that this can go a long way in helping the nation in its fight against coronavirus. Thapar said the product was designed by her and her team.

Invest Punjab, a wing of Punjab government dealing with industry, has played the role of facilitator in getting JCT the nod. Invest Punjab, it has been learnt, was also in the process of sending PPE suit samples of five more manufacturers based at Ludhiana on Saturday to SITRA for PPEs. In addition, samples of N95 masks were being sent from two Ludhiana-based manufacturers.
Punjab Additional Chief Secretary (Investment Promotions and Industry and Commerce) Vini Mahajan confirmed that PPE sample of JCT Phagwara was sent to central laboratory (SITRA) and that had been approved.

“Now the placement of order is under discussion. Central agencies are also looking into it. Order process has been going on. But, they have been cleared and advised to start manufacturing immediately,” Mahajan added.

Pointing out that JCT Phagwara was set up in 1946, Priya Thapar said: “We are ready to do anything for the country.”

“The product which we offer we will follow all safety standards. There are a lot of people who are involved (in the manufacturing of PPE), who are trying to get material passed. We have got certification from SITRA. Anyone and everybody cannot make a hazmat suit and start selling it. That is completely non-ethical. So, we went in for testing from SITRA,” said Thapar.

She said JCT had already been supplying medical wear and medical staff clothing to countries in Europe and United States.

A Union government functionary too confirmed that SITRA had cleared the PPE suit sample submitted by JCT Phagwara. The functionary also said that SITRA had also cleared protective suit sample of textiles and garments honcho Shahi Exports.

“Orders are yet to be finalised. Negotiations like rate per piece have to be worked out,” said the central government official.

He said that about a dozen manufacturers had been already manufacturing PPE body suits with a collective capacity of around 10,000 pieces a day.

“JCT will be a bigger source once the order is cleared,” said the functionary.

According to him, in addition to around dozen manufacturers who were manufacturing protective body suits, two Mumbai-based top manufacturers — Magnum and Venus — were making 80,000 to 10,0000 N95 masks per day collectively.

“No, since China is also opening up, the government may also consider importing such equipment from China,” he added.
About the testing by SITRA, the official added, that since a high degree of protection was required in such protective suits, stringent testing is done to ensure that liquid under pressure does not pass through it and the seam comes with a seal.

“Our protective suit is 100 per cent polyester with certain proprietary trademark coatings and other technology that is applied to it. There is a seam sealing technology in our product so that there is no passing of blood fluids or any other synthetic fluids through the fabric or through the seam. The test done by SITRA is as per prescribed norms and done under a certain water column pressure. Our product conforms to that,” said Thapar.

“As you are aware, worldwide there is big shortage of PPE body suits. People who are manufacturing are charging three times or four times the price for very inferior suits. The one we are manufacturing is a very high quality suit. JCT manufactures this fabric in India and there are only one or two such companies in the country,” she added.

“It is time we find indigenous solutions. We cannot depend on the Chinese because China exported this virus to the world and now they are trying to follow it up with exports of all their medical equipment and their medical wear masks and their gowns and anti-infective suits which they are selling at three to four times price not even at the right quality,” said Thapar.

**Other manufacturers**

There are PPE body suit samples from other manufacturers which are being sent by Punjab government to SITRA for approval. These include Evershine Industries, Ludhiana, which has offered to manufacture 1,000 garments per day, saying it can start production in five days if the order is placed.

Swami Textiles, Ludhiana has offered to manufacture 7,000 body suits per day and 15,000 doctor gowns per day with production starting on third day if the order is placed.

Shingora Textiles, Ludhiana, has offered to manufacture 1,000 body suits per day, giving a time frame for starting production in two days if order is placed.

Shiva Tex Fab, Ludhiana, has offered to manufacture 1,000 body suit pieces within first week, adding it will be ready for delivery in three to four days’ time after an order is placed.
Kudu Knit, Ludhiana has offered to manufacture 5,000 body suits per day with delivery in four to five days if order is placed.

For N 95 masks, Swami Textiles, Ludhiana, has offered to manufacture 10,000 pieces per day, starting production in three days if order is placed.

Supreme Safety Products, Hoshiarpur has offered to manufacture 4,000 pieces per day, starting production in three days after order is placed.

Source: indianexpress.com- Mar 29, 2020