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IBTEX No. 259 of 2016 Dec 23, 2016

USD 67.84 | EUR 70.92| GBP 83.37| JPY 0.58

Cotton Market Update

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

Rs./Bale	Rs./Candy	USD Cent/lb
18501	38700	**72.68**

Domestic Futures Price (Ex. Gin), December

Rs./Bale	Rs./Candy	USD Cent/lb
19190	40141	**75.38**

International Futures Price

NY ICE USD Cents/lb (March 2017)	70.60
ZCE Yuan/MT (January 2017)	15,175
ZCE Cotton: USD Cents/lb	**83.42**
Cotlook A Index – Physical	**79.05**

Cotton Guide: Cotton market is joggling near Rs. 19000 mark in the domestic market for the current active future contract. At the spot front market is hovering near Rs. 39000 per candy at the major trading centers. The entire week has been no major development except that the arrivals are increasing on a daily basis. The average daily arrivals have been between 160,000 to 170,000 bales. We believe market is precisely onto a bearish trajectory amid higher supply and muted demand. On today's trading session the counter is expected to remain down. From the price perspective we believe the aforementioned January contract is expected to trade in the range of Rs. 18800 to 19100 per bale.

Further on the domestic front on Thursday, nationwide, daily seed cotton arrivals are estimated at roughly 162,000 lint equivalent bales (170 kgs), including 40,000 from Gujarat and 56,000 from Maharashtra. According to the Cotton Corporation, cumulative new crop arrivals by December 20 were estimated at 7,504,300 lint equivalent bales, including almost 1.7 million from Gujarat and over 1.8 million from Maharashtra. The mid-point of interior asking rates for Shankar-6 has advanced by Rs. 350 since yesterday, to be placed at Rs. 39,150 per candy, ex-gin. At the prevailing exchange rate, equivalent value is approximately 73.50 US cents per pound. Punjab J-34 has also edged higher, to Rs. 4,130 per maund (73.90 cents per pound).

From the global front the ICE March 2017 contract during this week traded steady in the range of 68 to 70.50 cents/lb. Market is expected to seek a sideways trend on today's trading session. This morning ICE cotton for the said contract is seen trading at 70.19 cents no major change from the previous close and the Chinese cotton future at ZCE is hovering around 15190 Yuan/MT. Overall the view for the day is sideways to lower. In the meanwhile the globally the USD is hovering near 103 and yet no signs of major correction therefor cotton like other dollar denominated assets are also holding steady.

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

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INTERNATIONAL NEWS

Soaring wage prompt Chinese apparel makers turn to Vietnam

China exports about $169 billion worth of clothing annually. It used to be the unrivaled textile king of Asia. But with wages in China having doubled in the last five years and apparel makers there under heavy pressure from clients to cut costs, companies are increasingly moving production of low value-added goods out of the country.

Chinese apparel makers are prompted to shift their production to neighboring Vietnam, where labor costs are nearly 60% lower. Although such moves does involve a certain amount of risk due to the nations' territorial dispute in the South China, among other factors.

Nameson Holdings, maker of sweaters and other knitwear to order based in Huizhou, Guangdong Province plans to increase production in Vietnam. The company began turning out products in the Southeast Asian country in 2015 at a factory in the suburbs of Ho Chi Minh City. It expects to complete the second phase of construction at the plant in April next year.

Nameson mainly supplies garments to Japan's Fast Retailing, operator of the Uniqlo chain of casual clothing stores. Over half of the Chinese company's revenue comes from sales to the Japanese retailer.

Nameson's production shift is partly due to a 2009 economic partnership deal that has in principle eliminated tariffs on Vietnamese textile exports to Japan. Nameson is trying to expand its customer base in Japan.

China's Bosideng International Holdings, a major manufacturer and retailer of down jackets, is also boosting output in Vietnam. It currently produces garments on a trial basis at a Vietnamese textile factory affiliated with Japanese trading company Itochu, with which it has a capital partnership.

Bosideng will closely monitor the situation at its Vietnam plant and base its expansion moves on developments there.

Bosideng Chief Financial Officer Mak Yun Kuen said that theirr clients are increasingly looking for a cross-border supply network, and that's partly why Bosideng is missing out on potential orders in original equipment manufacturing(OEM). The shift to Vietnam is intended to cut production costs.

But with the U.S. President-elect Donald Trump announcing his intention to pull the U.S. out of the Trans-Pacific Partnership, a free trade accord encompassing 12 countries, including Vietnam and Japan. The shift of textile production by Chinese businesses to Vietnam wanting to take advantage of lower tariff may slow down.

Also setting up operations on foreign shores carries risks. In the spring of 2014, Vietnamese protesters gathered for a huge demonstration against China's oil exploration in the South China Sea. Chinese and Taiwanese companies were targeted by violent protesters, leading to supply chain disruptions.

Source: yarnsandfibers.com – Dec 22, 2016

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Pakistan: Influence of global trend keeps cotton trading slow

The global trend heavily overshadowed sentiment at the domestic market, particularly the temporary shutdown of a large number of spinning units in China due to heavy smog, Under the influence of global trend, trading activity on the cotton market on Wednesday slowed down. The Karachi Cotton Association spot rates also remain unchanged.

Spinners generally preferred to abstain owing to slow off-take of yarn and textile goods. Barring needy spinners who indulged in short covering, the market remained devoid of activity.

This also impacted the New York cotton market which spearheaded the global downward trend in cotton prices. The Indian textile industry is also under crisis where spinners avoid building up their positions because retail off-take of textile goods have slowed down owing to currency crisis.

Major deals that changed hands on the ready counter were: 1,000 bales from Sanghar (done at Rs5,900), 1,000 bales Pithoro (Rs6,200), 600 bales Taunsa Sharif (Rs6,050), 800 bales Hasilpur (Rs6,100), 400 bales Vehari (Rs6,100), 800 bales Haroonabad (Rs6,365 to Rs6,400), 400 bales Fort Abbas (Rs6,400) and 1,200 bales Sadiqabad (Rs6,500).

On the domestic front, due to banks' closing on Dec 31 and a larger number of holidays during the last week of this year, spinners avoiding building up their cotton inventories, brokers said.

Source: .yarnsandfibers.com – Dec 22, 2016

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Pakistan: Textile exports increase 9.71pc in November

The textile exports from the country on year-on-year basis increased by 9.71 percent during the November 2016 compared to the same month so the last year.

According to the latest data released by the Pakistan Bureau of Statistics (PBS), the textile exports during November 2016 were recorded at $1,048.708 million compared to the exports of $955.859 million during November 2015.

The textile commodities that witnessed increase in trade during the month under review included raw cotton, exports of which grew by 141.19 percent by going up from $1.867 million last year to $4.503 million.

Similarly, the exports of cotton yarn increased by 42.08 percent as it went up from $88.334 million to $125.509 million while the exports of cotton cloth increased by one percent by rising from $163.191 million to $164.802 million.

The knitwear exports from the country were recorded at $200.663 million in November 2016 compared to the exports of $177.970 million in November 2015, showing growth of 12.75 percent while the exports of bedwear increased by 3.06 percent from $162.983 million to $167.966 million.

The export of towels during the month under review also increased by 1.67 from $64.773 million to $65.355 million while the exports of tents, canvas and tarpaulin increased by 53.82 percent, from $11.200 last to $17.228.

The exports of readymade garments increased by 13.54 percent, from $166.217 million to $188.722 million while the exports of madeup article (excluding towels and beadwear) increased by 22.36 percent, from $47.396 million to $57.993 million.

The products that witnessed decrease in exports included yarn (other than cotton yarn) the trade of which declined by 47.22 percent. The exports of art, silk, synthetic textile also declined by 19.47 percent.

Meanwhile, the overall exports of textile products during the first five months of the current fiscal year decreased by 1.94 percent.

The textile exports during July-November (2016-17) were recorded at $5.122 billion compared to the exports of $5.224 billion during July-November (2015-16), the PBS data revealed.

Source: brecorder.com– Dec 22, 2016

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Impact of heavy smog in North China on textile industry

China has been experiencing the worst smog of the year for the past few days and more than 70 cities have declared either red or orange alerts for air pollution according to China's Ministry of Environmental Protection. Severe smog in northern China has caused schools to close and hundreds of flights to be canceled.

About 1,767 factories in Shandong were asked to close temporarily and 1,399 companies were required to limit production amid heavy smog pollution. Hebei province issued Hebei Province Heavy Pollution Weather Emergency Plan in early December, strictly controlling the emission of industrial pollutant. All large-sized plants involved boiler fueled by coal in Shijiazhuang was required to shut down temporarily, and policies in Baoding, Xingtai and Handan and so on were similar.

Impact on polyester staple fiber market

1. Supply

Tianjin Petrochemical and Shandong Wanjie, totaling 4% of domestic virgin PSF capacity, sustain their operating rate despite the government's air pollution campaign. However, most recycled polyester fiber plants in Hebei had to shut down since mid-November when local government began to tackle air pollution problems. These plants' capacity totals around 500kt/year, about 5% of the total recycled polyester fiber capacity in China. As a result of the decreasing re-PSF supply, virgin PSF price in Jiangsu increased amid good sales.

2. Demand

Polyester yarn production are free from the strengthened environmental protection policy as they seldom use coal. Plants in Hebei sustains their operating rate at around 50-70%. However, these plants' sales suffered a setback as many warp sizing plants were shut down. The inventory of some yarn plants increases by 5-7 days, yet those whose customers are mainly in the South witness no inventory pick-up.

3. Price

The air pollution campaign actually exert very limited influence on PSF price as neither virgin PSF nor re-PSF can dominate domestic PSF price trend. Virgin PSF price surged since December propelled by soaring polyester feedstock though in Hebei and Shandong fierce competition set an obstacle to its hike. Recycled polyester fiber price hike was driven by rising feedstock price and virgin PSF price rise. And of course the slump of recycled polyester fiber supply in Hebei boosted to some extent the product's sales in Jiangsu.

Impact on spinning and weaving market

The smog pollution is very heavy in North China like Shandong and Hebei, and to mitigate such situation, many warp sizing plants and printing and dyeing plants are required to shut down temporarily as many of these plants are fueled by coal which will discharge waste gas to the air and further cause air pollution.

Affected by these, sales of yarn and grey fabric are impacted as warp sizing plants and printing and dyeing plants are their downstream sector, and many spinners and weavers are forced to suspend production with poor demand. Actually, government has intensified environmental protection from around mid-November when the heat supply starts in North China under low temperature.

Besides, some factories that are fueled by natural gas are also required to limit production as government limits electricity supply. Intensified requirement on environmental protection is expected to continue at least into the end of December. Most factories are not expected to maintain production in January with the coming of Spring Festival holiday. By the way, due to environmental protection issue in Hebei, part of weaving plants turns the warp sizing, printing and dyeing operation to Shandong, so the costs are heard to increase by nearly 30%.

Source: ccfgroup.com– Dec 22, 2016

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Bangladesh can reach $50bn in export with skilled manpower

Increasing skilled manpower in design and providing necessary apparel solutions to retailers can help the textile industry of Bangladesh to achieve its export target of $50 billion by 2021, said David Hasanat, chairman and CEO of Viyellatex Group. He also said that challenges faced by the RMG sector can be tackled using new technology, training and research.

Bangladesh can also go beyond its export target, added Hasanat while addressing the roundtable on '$50 billion export target and the role of Centre of Excellence for Bangladesh Apparel Industry (CEBAI)'. It was organised by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) in association with the CEBAI and International Labour Organization (ILO).

It is important to provide garment solutions and supply all types of garment and apparel made in Bangladesh, said Hasanat.

He also said that less than 1 per cent manufacturers in Bangladesh offer design support to buyers. Over 20,000 expatriate experts are taking over $5 billion from the country every year due to the shortage of skilled manpower. This amount is higher than the net profit of the local garment exporters, according to Hasanat.

Occupational safety, gas and power supply, transportations, port services, market diversification and more also need to be addressed, added Hasanat. Bangladesh can expand its market by exporting garments to countries like India, China, Japan and South Korea, said Faruque Hassan, vice president, BGMEA.

Hassan also said that the country should diversify its products. While trousers, shirts and t-shirts make up for 79 per cent of the total apparel exports per year, exports of suits, swimwear, sportswear and blazers have also been increasing.

Source: fibre2fashion.com– Dec 22, 2016

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USA: Ruyi plans to acquire Aquascutum brand business for $120 million

Shandong Ruyi Group the Chinese mainland textile producer which bought control of French fashion group SMCP earlier this year is now planning to acquire iconic British trench coat maker, Aquascutum brand business from Hong Kong-listed YGM Trading Ltd for about $120 million. Ruyi hopes to reach a final agreement in the next few weeks, the sources said.

Ruyi joins Fosun International Ltd and Qingdao Haier Co in seeking to acquire foreign consumer brands that can be marketed to increasingly affluent Chinese shoppers. Chinese companies have announced $50.2 billion in overseas consumer acquisitions this year, up from $24.3 billion during the same period in 2015.

Aquascutum was founded in 1851 in London by tailor John Emary, who invented a rain-repellent fabric. From the beginning, fine craftsmanship and technical innovation have been at the forefront of the brand.

The company's trench coats, developed for use by the British military, were later worn by UK former Prime Minister Margaret Thatcher and US movie star Humphrey Bogart, according to Aquascutum's website. YGM Trading became the global owner of the brand in 2012.

The Chinese textile producer has also invested in clothing companies including Tokyo-based Renown Inc.

Source: yarnsandfibers.com– Dec 22, 2016

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Apparel Textile Sourcing Canada show in August 2017

The second edition of Apparel Textile Sourcing Canada (ATSC) will kick off from August 21, 2017.

The three-day apparel, textile and fashion event is one-of-a-kind programme to meet apparel, textile, fashion and fabric manufacturers, factories, and leaders from across the world. The show will provide a platform to develop global industry connections.

ATSC has also secured a 50 per cent increase in exhibit space at the event that will be held in Toronto's International Centre. ATSC 2017 will bring to Canada hundreds of apparel and textile manufacturers from around the world, including China, India, Bangladesh, Pakistan, US, UK, Mexico, Colombia, Peru and many more. The event will include comprehensive trade show and conference.

The programme will be held in association with Canadian and International partnerships such as the Canadian Apparel Federation (CAF), US based Fashion Business Inc. (FBI) and the China Chamber of Commerce for Import and Export of Textile and Apparel (CCCT). JP Communications, a business sourcing platform is the producer of the event.

"The uniqueness of Canadian market is always attractive to Chinese manufacturers, success of ATSC's first edition has given us confidence to bring more high quality producers in 2017," said Jiang Hui, chairman of CCCT.

"ATSC 2016 had impressive traffic, the seminars were all informative and well attended, and connections with great people were made. We look forward to returning again in 2017," said Trish Concannon, executive director, FBI.

ATSC debuted in 2016 with more than 200 booths of merchandise, and over 1,800 attendees.

Source: fibre2fashion.com– Dec 22, 2016

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NATIONAL NEWS

India may not meet 2020 export target; policy review ahead

The government is set to review its ambitious plan to achieve goods and services exports of $900 billion by 2020 as it becomes evident that the target is likely to be missed, given the current global scenario.

The government had set the ambitious target last year for goods and services exports, which were about $421billion in 2014-15. "The exports target looks difficult to meet. I can't say what the new target will be at this point of time, but we will do a mid-year review of the foreign trade policy soon," said a senior commerce ministry official.

The review, aimed at taking corrective steps by assessing the impact of export sops on various sectors, will begin soon. "Looking at the global challenges, $900 billion is completely ruled out. In fact, whether we can reach $750 billion exports is also a question," said another official privy to the details. However, no decision has been taken on revising the existing target or setting a new one.

Growth of India's total goods exports in April-November 2016-17 was flat compared with the same period in the previous financial year. Services exports dipped 4.79% to $13.11 billion in October, according to Reserve Bank of India data

For FY17, industry expects merchandise exports to be $270-280 billion and services exports at less than $150 billion. The World Trade Organisation trimmed its forecast by over 1percentage point as it expects global trade in 2016 to grow at the slowest pace since the financial crisis.

The downgrade follows a sharper-than-expected decline in merchandise trade volumes in the first quarter, it said in September. The organisation expects global trade to grow 1.7% this year compared with its previous forecast of 2.8% and an estimate of 3.9% made in September 2015.

The WTO scaled down its forecast for 2017 to between 1.8% and 3.1% from 3.6% previously. Stakeholder consultations for the midterm review are likely to begin from January 15 and the exercise should end by September 2017.

"A mid-term review will happen and then the government will take a call on export target and incentives," said Ajay Sahai, director general of the Federation of Indian Export Organisations. At present, the commerce department extends assistance to exports under incentives such as interest equalisation scheme to boost shipments.

According to the WTO, the outlook for the remainder of this year and next year is affected by uncertainties, including financial volatility stemming from changes in monetary policy in developed countries, the possibility that growing anti-trade rhetoric will increasingly be reflected in trade policy, and the potential effects of the Brexit vote in the UK.

Source: economictimes.com- Dec 22, 2016

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Textile Ministry organizing 1-day seminar on Technical Textiles in Bangalore

Ministry of Textiles in association with Man Made Textiles Research Association (MANTRA) and Karnataka Small Scale Industries Association (KASSIA) is organizing a One-Day National Seminar on "Technical Textiles Manufacturing, Characterization and Application" on December, 23.

The Seminar is being organized at KASSIA Auditorium, Vijayanagar, Bangalore.

While talking to KNN, Jaykumar, Chairman, Textile Committee, KASSIA said that the seminar will bring scope and opportunities for MSMEs.

"Only 9% of the manufacturing in Textile industry is done in India, while rest is being imported. So the seminar will bring exposure for the MSMEs and would help them create various opportunities and scope for the future," said Jaykumar.

According to him, there will be an exhibition of various products manufactured by the MSMEs, which would also motivate the textile industrial sector.

"There will be an exhibition of products which will motivate the MSMEs to grow and widen their business," added Chairman, Textile Committee, KASSAI.

Girish, IAS, Commissioner-Handlooms & Textiles, GOK will be the Chief Guest at the event.

D.V.Prasad, IAS, Additional Chief Secretary, C & I will inaugurate the One Day Seminar.

Source: knnindia.co.in - Dec 22, 2016

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'Textile industry to attract Rs. 1 lakh cr. investments by 2025'

The Indian textile industry is expected to attract Rs. 1 lakh crore investments in technical textiles by 2025, according to M. Senthil Kumar, chairman of Southern India Mills' Association.

At a conference on technical textiles and non-wovens organised by Federation of Indian Chambers of Commerce and Industry here on Thursday, Mr. Senthil Kumar said of the 12 major technical textile items, packtech has the largest share with 42 per cent. The next are industrial textiles and home textiles, each accounting for about 10 per cent.

Technical textiles

Technical textiles is one of the fastest growing segments in the textile industry and has registered annual compounded growth rate of 11 per cent. It has the potential to grow to 20 per cent.

However, the production capacity is currently focused on commodity products and not on innovative ones.

The industry should make investments in technology, especially in Tamil Nadu, to tap the potential in technical textiles.

According to a presentation made by an official of the Regional Office of the Textile Commissioner here, the technology mission on technical textiles launched in 2010 with an outlay of Rs. 200 crore was extended till the end of this financial year with an additional outlay of Rs. 55.2 crore. Agrotech is a potential area that industries should look at in technical textiles.

According to Raja M. Shanmugham, president of Tirupur Exporters' Association, Tirupur aims to touch an annual turnover of Rs. 1 lakh crore by 2020 from the current Rs. 36,000 crore. Industries in Tirupur need to look at different products, including technical textiles, to achieve this. The Central Government should establish centres of excellence in hubs such as Tirupur.

K.G. Balakrishnan, chairman of KG Group, said the market for technical textiles is growing at 12 per cent annually because of increasing consumption, income, and industrial use.

Source: thehindu.com - Dec 23, 2016

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Amazon logistics platform to streamline deliveries

Online marketplace Amazon India has created a dedicated logistics platform to bring all its delivery partners, staffing agencies and other service providers on a single platform for streamlining the product deliveries to its customers. Managed by Amazon Transport Services, the platform will help widen the online store's reach and cut delivery costs.

"If you look at the opportunities from transportation and logistics, the big challenge is about how we bring the same experience that customers have learned to expect from Amazon.com to a market like India, without diluting it, despite the challenges on ground here," an Amazon India spokesperson told Fibre2Fashion.

"What Amazon had done was to build a lot of technology to cross the multiple countries and we are using the similar approach to replicate the customer experience in India.

The instance logistics.amazon.in has been made for the India business to bring all the delivery service partners on one single platform. The site has been live for a few months now," the spokesperson added.

The logistics platform brings staffing agencies and other service providers together on a single platform. The staffing agencies are vendors that Amazon Logistics works with to hire delivery associates for Amazon-owned delivery stations, while the service partner programme is another last mile model by to provide best-in-class delivery experience to customers in remote areas.

"Budding and aspiring entrepreneurs in remote areas act as Amazon.in's local distribution network providers and create the last mile delivery footprint. This program now covers more than 250 satellite cities and tier II and tier III towns and villages," said the spokesperson.

Amazon's aim with this logistics platform is to offer an enhanced experience to its customers.

"This is a mix of our staffing agency partners who provide manpower support to Amazon delivery stations and also our service partners. Our payment structures are confidential and as per the contracts signed with the delivery service partners. We aim to build a competitive structure that ensures a best in class customer experience," states the Amazon representative.

Amazon is currently on-boarding its partners in Bangalore to the platform and will expand to other regions soon.

"We are expanding the on-boarding of our delivery service partners onto this new platform in a phased manner. Currently, we are only on-boarding our staffing agencies and service partners in Bangalore," said the spokesperson.

Source: fibre2fashion.com – Dec 23, 2016

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Potential in technical textile sector yet to be tapped properly

Lack of awareness and lesser penetration in rural areas was the reason the vast potential in the technical textile sector could not be tapped properly,a senior Textile Commissioner official said, even as major textile associations extended support for the sector's growth.

Though the sector is growing at a Compounded Annual Growth Rate (CAGR) of 11.8 per cent and was expected to reach Rs 1.16 lakh crore by 2018, major products are being imported, with domestic manufacturers confining to limited products, Deputy Director in Textile Commissioner's office T L Balakumar said.

He was speaking at a seminar-cum-exhibition on 'Investment Opportunities in Technical Textiles and Non-wovens,' organised by FICCI and office of the Textile Commissioner.

Balakumar said 932 of 2220 manufacturing units functional in India are registered with his office and are confined to making woven socks, tyre cord fabrics, sport shoes components, industrial textile and fishnets, with huge potential in the automotive and geotextiles remaining untapped properly.

The Government under the scheme of promoting usage of geotextiles in the North East Region had allocated Rs 427 crore for five year period from 2014-15 and Rs five crore for the rest of India, he said.

Tirupur Exporters Association President Raja M Shanmugham said the knitwear hub had been concentrating on non-aesthetic wear all these days and wanted to diversify to functional wear.

To achieve the targeted turnover of Rs one lakh crore by 2020 from the present Rs 36,000 crore, both domestic and exports, Tirupur may also tap the technical textile segment, he said and requested the Centre to start a 'Centre of Excellence' in the city.

Southern India Mills' Association chairman M Senthilkumar said that with a 11 per cent CAGR, technical textiles contributed 12 per cent of the Indian textile industry and has the potential to increase it to 20 per cent.

Being a part of textile industry, textile mills would extend any support for making investments in technical textiles and non-wovens and make it a success,he said.

Source: business-standard.com– Dec 22, 2016

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Alibaba urged to take exporters online

India is in talks with China's leading e-commerce firm Alibaba.com to help domestic garment exporters market their products online and educate them about payment gateways, security and privacy issues.

With Alibaba's help, India's garment exporters will be able to promote, design and customise their products online as per clients' needs and get assured payment, officials said. The idea behind the intended partnership is to deliver end to-end solutions for exporters, especially the smaller ones who can't keep huge inventory, they said.

The Apparel Export Promotion Council, India's nodal agency for promoting business between exporters and buyers, has held four-five rounds of discussion with the Jack Ma founded company so far, said one of the officials, who did not wish to be identified.

"But we are open to talks with other players also. We want our e-commerce partner to promote Indian SMEs (small and medium enterprises) on their portal," the official said.

Since sellers on Alibaba.com are typically manufacturers and distributors, if the deal is sealed small exporters in India will be able to market and sell their products to companies in other countries.

Promoting small exporters is high on the government agenda because 79% of India's garment exporters have revenue of less than Rs 10 crore per annum.

The council may also seek its online partner's guidance for managing logistics in the future, officials said.

Although there are more than 8,000 garment exporters registered with the council, less than 100 use online platforms to promote and sell their goods.

"Exporters need to also explore the e-commerce way of doing business and not limit themselves to face-to-face interactions. We realised that they need handholding to put their products online because they have apprehensions on how to get business and payments," the official said.

According to industry experts, climatic changes and fast moving fashion trends have made buying patterns unpredictable. Hence, online presence will enable year-round buying and faster delivery for manufacturers and exporters. The entire process of design to delivery, which used to take up to three months in 2004, has now been crunched to 30-35 days and can be further reduced if online platforms are used, they said.

In 2015-16, India exported readymade garments worth $17 billion. The industry has seen fluctuations in the past six years due to global economic uncertainty and loss of competiveness to emerging economies in the region, especially China and Bangladesh.

Shipments to the European Union, the top destination for India's garment exports, fell 5.5% in 2015-16 from the previous year.

Source: economictimes.com– Dec 23, 2016

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Centre to enhance port connectivity

Indian Port Rail Corporation Limited (IPRCL), in its maiden annual general meeting, announced that rail infrastructure expansion and modernisation works for Jawaharlal Nehru Port Trust (JNPT), Kandla Port and Haldia Dock Complex (HDC) are likely to begin from April 2017.

IPRCL, a joint venture between major ports and Rail Vikas Nigam Ltd (RVNL), was formed with the objective to provide efficient rail evacuation systems to major ports and enhance their capacity and throughput.

Meanwhile, similar works have already commenced for Kolkata, Vishakhapatnam, Chennai, Tuticorin and New Mangalore ports, IPRCL disclosed.

Preparation of a detailed project report (DPR) for road and rail connectivity of proposed Colachel Port in Tamil Nadu was also was discussed in the meeting.

"During the financial year 2015-16, 20 railway projects were taken up across eight major ports. Out of this, eleven works with total project cost of Rs 7,636.15 crore were for preparation of feasibility and DPR and nine works with total project cost of Rs 643.77 crore were for project execution," read a statement issued by IPRCL.

Meanwhile, since its inception in July 2015, IPRCL has completed the pre-feasibility study of a heavy haul rail corridor from Ib Valley - Talcher to Paradip and Dhamra to evacuate coal mines of Mahanadi Coal Limited to the ports for shipping them to the southern states of India through the coastal route.

"IPRCL is taking up the third and fourth line from Salegoan to Paradip that will be dedicated to freight. The development of this project will give a major fillip to the government's initiative to promote multi-modal logistics and coastal shipping," mentioned the statement.

Meanwhile, Ministry of Shipping said in a statement, "In the coming years, IPRCL, as a dedicated SPV will continue to develop railways as a mode of transport in the port sector."

It said IPRCL will strengthen the second pillar of Sagarmala, the flagship programme of government which has four pillars - port modernisation, port connectivity and evacuation, port-led industrialisation and coastal community development.

Under the Ministry of Shipping, the programme aims at promoting port-led development along India's 14,500-kilometre long coastline.

As part of Sagarmala, more than 400 projects, at an estimated infrastructure investment of more than Rs 7 lakh crore, have been identified across port modernisation & new port development; port connectivity enhancement, port-linked industrialisation and coastal community development.

These projects will be implemented by relevant central ministries, state governments, ports and other agencies primarily through the private or PPP mode.

IPRCL will strengthen "port connectivity and evacuation" through various dedicated projects. The Salegoan-Paradip dedicated freight corridor model will be replicated in future in other port connectivity projects.

Source: zeebiz.com– Dec 23, 2016

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