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IBTEX No. 80 of 2017 Apr 21, 2017

USD 64.64 | EUR 69.26 | GBP 82.71 | JPY 0.59

Cotton Market (20-04-2017)

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

Rs./Bale	Rs./Candy	USD Cent/lb
20127	42100	**83.05**

Domestic Futures Price (Ex. Gin), May

Rs./Bale	Rs./Candy	USD Cent/lb
21120	44178	**87.15**

International Futures Price

NY ICE USD Cents/lb (May 2017)	77.67
ZCE Cotton: Yuan/MT (July 2017)	15, 855
ZCE Cotton: USD Cents/lb	**85.70**
Cotlook A Index – Physical	**87.80**

Cotton guide:

Cotton market is at such juncture witnessing lot of volatility in the price. The rollover of May position to July and subsequent is running at a faster pace. The May Open Interest has shrunk to 11089 contracts while rest has shifted to July and December. The July OI has increased to 0.126 million contracts.

Therefore price is moving in both directions. The most active July contract at ICE moved in a wide range of 78.98 to 77.66 cents per pound on Wednesday's trading session and ended at 78.32 marginally higher from the previous close. We believe market would continue to remain unwarranted in the near term and entire scenario would depend upon the long/short positions movement at the ICE platform and the Fixation of on call sale. The CFTC report would be released on Thursday and based on that fresh direction can be composed.

From the Technical perspective we notice a strong resistance near 79 cents for July contract and believe unless that is breached the market would either remain sideways or possibly some sort of profit booking could be observed. For the day we expect ICE cotton to move in the range of 79 to 77.80 cents. Note, upon break above 79 cents the price could surge to 79.25-79.50 range. Also in the short term the broad range for the price would be 79.50 to 76.70 cents per pound.

Further on the cotton market light nearby mill inquiry has been reported for US cotton, but overall, conditions remain quiet. ICE estimated volume was at 35,900 contracts, lower than previous day's 48,574. In the meanwhile, total open interest decreased by 2,499 contracts to 239,278.

Coming to domestic cotton market, as of April 18, according to Cotton Corporation of India (CCI) arrivals amounted to the lint equivalent of 804,200 bales compared with 1,305,400 during the previous week. The bulk of arrivals during the period were in Maharashtra-295,000 and Gujarat-242,000.

Further on the futures front the most active April contract at MCX traded positive. The contract settled higher at Rs. 20950 per bale up by Rs. 210 from the previous close. Likewise, May future also settled higher at Rs. 21,120 per bale leaving spread between the two contracts at Rs. 170.

We believe the Spread between two contracts holding in the range of 150 to 200 may not attract much in rolling over of positions from April to May. From the technical perspective we believe April may trade in the range of Rs. 21080 to Rs. 20800 while 21100 remains a strong resistance for the day. Also note if market fails to break 21100 in the near the probability of price correcting down towards Rs. 20600 is much likely.

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

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INTERNATIONAL NEWS

Bangladesh: Need to safeguard the EU GSP facility

Following a grim warning from the European Union (EU) of pulling Bangladesh out its trade benefits under Generalised System of Preferences (GSP), the government formed a working committee this week to help address the issues raised by the Sustainability Compact and the International Labour Organisation (ILO).

The committee will reportedly assess the progress so far made and fine-tune the remaining issues. It will also coordinate among the authorities to prepare the paper to be presented in the next Sustainability Compact and the ILO conference to be held on May 18 and mid-June next respectively.

A delegation of Members of European Parliaments (MEPs), in its recent visit to Bangladesh last month, pressed for the full implementation of Sustainability Compact and addressing the ILO concerns before the next meeting to sustain the duty-free facilities under the EU's EBA (Everything But Arms) regime.

The EU countries reportedly receive regularly reports of harassment, intimidation and repression of trade unions, as well as restrictions on trade union activities.

There is no denying that an atmosphere of tension is prevailing in the country's apparel sector following the EU warning of temporary withdrawal of GSP benefit if Bangladesh fails to address labour rights issues and comes up with a proper plan of action within a certain timeframe.

The EC warning letter said if the progress is not enough, its monitoring could eventually lead to the launching of a formal investigation which could result in temporary withdrawal of preferences.

In the letter, the EC mentioned that it would be essential for Bangladesh to remain eligible for the EBA regime and they need to demonstrate that Bangladesh was taking concrete and lasting measures to ensure the respect of labour rights.

It may be mentioned here that Bangladesh-made products, including apparel, enjoy duty-free facility under the EU GSP. More than 60 per cent of the country's total exports are destined to markets of the member-states of the EU. The country is by far the largest EBA exporter to the EU, accounting for 65.7 per cent of EBA exports with a value of over 14.6 billion euro.

The country's apparel makers have recently moved forward to address certain conditions of the ILO, related to workers' rights, in the wake of the recent EU warning. They have already discussed the issues among themselves and decided to do everything possible to avert any untoward move from the EU.

On the other hand, the government has taken steps to ensure the workers' trade union rights in the country's EPZs. However, it is assumed that full implementation of the labour law in the EPZs may take some more time. Besides, the government has also initiated the process of establishing a database to look into the trade union registration activities, especially the complaints made by the workers to this effect.

The industry insiders, however, said since the concerns expressed by the ILO and the EU are very much related to the factories operating in the EPZs, the apparel units outside the EPZs do not have much to do in this regard.

According to them, exports from the factories of the EPZs account for only 8.0 per cent of the total exports, so the industry does not want that the country's total exports get affected by the EPZ-related labour issues.

Analysts suggest that both the exporters and the government should take prudent steps for safeguarding the EU GSP facility. Suspension of the trade facility by the EU, they fear, might create an adverse impact on the country's overall trade and economy, including bank and insurance sectors.

Source: thefinancialexpress-bd.com- Apr 19, 2017

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Myanmar: Clothing industry looks for favoured status

The Myanmar Garment Entrepreneurs Association says it is working for MFN (most-favoured nation) status so that the CMP (cutting, making and packaging) clothing industry can receive tax reliefs.

Myint Soe, chair of the association, said: “I have submitted a plan to ensure the country gets MFN status when CMP products are exported to the US. It is a state-level matter.

The tax levied on the CMP products exported to the US ranges from nothing to 5 per cent. Under the MFN system, the taxation rate is higher than 5 per cent.”

The US restored the generalised system of preference rights to Myanmar after lifting economic sanctions last year. But clothing is not included on the list of products which can enjoy the rights reinstated by the US.

The US will collect a 10-12 per cent tax on exports of cotton clothing and a 37-per-cent tax on nylon garments. High taxation rates serve as a deterrent to garment exports.

Khaing Khaing Nwe, secretary of the association, said: “CMP export earnings are expected to reach up to US$2.2 billion this year as it receives more orders from the EU and Japan.”

According to the commerce ministry, the export earnings from the CMP exceeded US$1.64 billion between April 2016 and the end of February, up nearly US$1 billion from the same period the previous year.

Thirty-three per cent of CMP exports go to Japan, 25 per cent to the EU, especially Germany, 25 per cent to South Korea, 2.4 per cent to the US and about 2.4 per cent to China.

Source: elevenmyanmar.com- Apr 19, 2017

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Netherlands: IAF to host sessions on Industry 4.0, denim development

The International Apparel Federation (IAF) will host sessions on Industry 4.0 and denim development at the Texprocess Symposium. Messe Frankfurt has partnered with IAF to organise part of the four-day symposium that will kick off from May 9, 2017.

A session on 'Implementing Industry 4.0 successfully in the fashion industry' will also be organised.

The symposium that will be held in Frankfurt, will conduct three sub sessions where IAF members and panels will explain to the audience about the importance of digitisation in the industry and how it is actually implemented by clothing manufacturers, brands and retailers and, how start-ups are using new technology to create new business models and entice consumers.

Organisations such as Lectra, Gerber, Spesa, Oerlikon, Saxion University, WTiN and Denkendorf will also share their insights with the audience.

On the last day of the programme, IAF will host a session titled 'Developments in denim and lessons for the rest of the industry'.

In a single round table discussion, the audience will get information on innovation in materials and how machinery is transforming the denim industry creating new value and sustainability and serving as a good example to other sectors of the fashion industry.

Source: fibre2fashion.com- Apr 20, 2017

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Hong Kong: HKTDC Home Textiles fair begins in Hong Kong

The 8th Hong Kong Trade Development Council (HKTDC) Hong Kong International Home Textiles and Furnishings fair has begun today, attracting close to 300 exhibitors from eight countries and regions to explore a multitude of opportunities in the home textiles and furnishings sectors. This year's event features new exhibitors from Belgium and Vietnam.

Nantong in the Chinese mainland province of Jiangsu – a city dubbed 'the Hometown of Textiles' – as well as a number of Indian textile associations have also returned to set up group pavilions to showcase their quality textiles at the fair.

The Home Textiles and Furnishings event has adopted the 'Interior' theme to showcase a variety of home textiles, upholstery and furnishing products. The premium 'Hall of Glamour' features quality brands and designer collections, covering products such as bedding, curtains, carpets and towels.

Featured products include Hong Kong exhibitor Nightingale's gold embroidery trim on black satin table linen, Indian hand block printed cushion covers and wool/denim Panja rugs.

The HKTDC is also staging a series of seminars and networking events to help industry players keep abreast of the latest trends and developments in the home textiles markets.

Highlights include the seminar 'WGSN Trendtalk: Houseware & Home Textiles 2018 Forecast' led by expert trend forecaster WGSN.

A number of product demo and launch pad sessions have also been organised to facilitate buyer viewing of exhibitors' products.

The four-day event is concurrently being held with the 32nd HKTDC Hong Kong Houseware fair.

Source: fibre2fashion.com - Apr 20, 2017

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Pakistan: Cotton trading slows

Trading on the cotton market touched rock bottom as both buyers and sellers were conspicuous by their absence.

The uncertainty surrounding the Supreme Court's ruling in the Panama Papers case overshadowed proceedings on the cotton market in the second half.

The following are Thursday's Karachi Cotton Association (KCA) official spot rates for the crop (2016-17) local dealings in Pak rupees for base grade 3 staple length 1-1/16" micronair value between 3.8 to 4.9 NCL.

Rate for	Ex-Gin Price	Upcountry Expenses	Spot rate Ex-Karachi
37.324kg	6,750	135	6,885
Equivalent 40kg	7,234	145	7,379

Brokers said it would take some time before the traders regain confidence, particularly when a lot of debate was going on the pros and cons of the court verdict.

Meanwhile, world's leading cotton markets remained steady with higher export figures released by the US Agriculture Department for this week. The report disclosed that China, India, Turkey and Vietnam have been major importers of the US cotton.

The Karachi Cotton Association (KCA) left its spot rates steady. According to official KCA report, no transaction was reported on the ready counter.

Source: dawn.com - Apr 21, 2017

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Vietnam: Textile and garment see resurgence of capital flows

After a period of stagnation, capital inflows into the textile and garment industry have started pouring back, continuing to expand existing projects, with a focus on deeper exploitation of existing export markets.

The biggest increase in investment capital in the textile and garment sector in the year so far is the expansion of the plant to manufacture polyester fibre products by Taiwanese Polytex Far Eastern Group in Binh Duong Province.

This investor has been granted a license to increase investment capital by an additional US$485.8 million less than two years after making the first investment in the project, raising the total investment to nearly US$760 million.

Although the investment in Vietnam was admittedly to take advantage of business opportunities from the Trans-Pacific Partnership (TPP) Agreement, Far Eastern affirmed that even if the TPP is suspended, their capital increase plan will remain unchanged.

Earlier in June 2015, this investor was granted an investment certificate for the construction of the plant. The facility covered 99 hectares with the investment value of US$274 million for the first phase.

Vietnam Textile and Apparel Association (VITAS) said that a number of Korean investors are also planning to expand their production in Dong Nai and Binh Duong with the ambition to exploit export markets in the near future.

The decision to increase capital in the context that textile and garment export has just undergone a difficult year shows the confidence of foreign investors in the sector.

Domestic textile and garment enterprises also have not lose sight of the expansion trend. Accordingly, Vietnam National Textile Garment Group (Vinatex) will launch the construction of Phu Cuong Fibre Factory phase II in Phu Cuong commune, Dinh Quan district, Dong Nai Province.

This project's scale is as same as the first phase, with a designed output of over 5,000 tonnes of yarn per year, and holding a total investment of more than VND460 billion (US$21.85 million).

In addition, the construction of Nam Dinh Fibre Factory phase II is also included in the 2017 investment plans of Vinatex, with the total investment of more than VND300 million (US$14.25 million), serving export products.

According to Cao Huu Hieu, head of the Investment Department at Vinatex, the investment will be made regardless of the TPP's fate. These projects will produce inputs with an aim to enhance added value for the textile and garment sector and reduce sewing projects.

Vu Duc Giang, chairman of the VITAS, said that in the second half of 2016, the purchase and sales transactions in the Vietnamese textile and garment sector experienced signs of slowdown.

However, the export performance in the first quarter of 2017 encouraged enterprises a great deal. The export turnover of US$6.7 billion, up 12-13% quarter-on-quarter, showed that foreign importers still praise the capacity of Vietnamese textile and garment exporters.

Than Duc Viet, deputy director general of Garment 10 Joint Stock Company, told VIR the textile and garment industry is the first in Vietnam to join the global supply chain and enterprises in the industry are quite sensitive to market conditions in each period.

"Without the TPP, Vietnamese enterprises still have export markets. The reality is that the more difficulties Garco 10 Corporation – JSC faces, the stronger it will go on the offensive, investing in in expansion and acquisition of machinery, equipment, as well as factories from weaker enterprises," he said.

According to VITAS, in case the TPP falls through or is started without the United States' participation, the textile and garment sector also has a complementary host of free trade agreements (FTAs) with other partners, such as Japan, the Republic of Korea, and the European Union, to achieve sound growth.

The industry's exports account for only three per cent of the total textile and garment imports in the EU and 11% in the United States.

In case Vietnamese companies can take full advantage of these markets, there will be opportunities to achieve breakthrough growth in the 2018-2020 period.

Source: vietnamnet.vn– Apr 21, 2017

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EU team examines Sri Lanka's labour laws ahead of GSP+ approval

A 7-member delegation which includes two European Union (EU) parliamentarians visited Sri Lanka on Monday on a fact finding mission to examine the prevailing labour laws and submit a report to the EU regarding the impending GSP+ concessions.

The delegation was expected to meet President Maithripala Sirisena, Prime Minister Ranil Wickremesinghe, the ministers of Labour, and Development Strategies and International Trade and all stakeholders of the industry including those of the garment industry during a 3-day visit. The MPs were from the Netherlands and Spain while the rest of the delegation was made up of representatives of global unions.

Sri Lanka Nidahas Sevaka Sangamaya General Secretary Leslie Devendra briefing reporters on Friday April 7 (ahead of the visit) said that five trade unions affiliated to the Industriall Sri Lanka Council have decided to make representation to the delegation.

He said when Sri Lanka enjoyed the benefits of the GSP+ concession in the past before it was suspended, employees of garment factories did not receive any benefits from this facility despite their sweat and toil in garment factories. Those who enjoyed the full benefits from GSP+ were only the owners of garment factories.

"Although the GSP+ concessions focused attention on human rights issues it did not look at other issues such as labour rights violation in Sri Lanka," Mr. Devendra said.

He added that while trade unions were not opposed to granting GSP+ concessions to Sri Lanka, the benefits should go to workers as well apart from owners of garment factories.

Referring to formation of trade unions in garment factories, he said the owners often disrupt the formation of trade unions by resorting to arm twisting methods to discourage workers from engaging in trade union activity.

“Unless these issues are not resolved the employees will not benefit from GSP+. We have submitted to the European Union the names of eight garment factories in Sri Lanka that suppressed and infringed the rights of its employees with regard to trade union action.”

He said although state employees enjoyed the freedom to engage in trade union activity the majority of the employees in the private sector do not have any trade unions at their work places.

Anton Marcus, Joint Secretary of the Free Trade Zones and General Services Employees Union, said while the government’s intention is to create one million new jobs, already 20,000 jobs are vacant in the garment sector while 700,000 vacancies exist in the private sector.

Sri Lankans however are not attracted to these jobs due to unfavourable terms of employment in hiring people. He said while the minimum salary scale stipulated in the Wages Ordinance was Rs. 13,500, workers who sweat and toil in their work places can only earn up to Rs. 20,000 per month.

H said a survey conducted by them had found that US$235 was needed to upkeep and maintain a family of four persons but today employees draw only up to $90, adding that this was the main reason why people are not attracted to these jobs.

Mr. Marcus said GSP+ will facilitate in the export of 7200 items from Sri Lanka to 27 countries in the EU without any tax being imposed on them.

However EU citizens pay such taxes to help those in the Third World countries to uplift their living conditions.

"There wouldn't have been 20,000 vacancies in the garment sector and 700,000 vacancies in the private sector had the benefits of the earlier GSP+ concessions been given to its employees," he said.

He said although Sri Lanka had signed many International Labour Organisation conventions, the required laws have not been passed to implement them.

Employees of the newly set up garment factories in the north and east have not been paid several allowances to its employees. Of the 8 million workforce in the country only 10 per cent today belong to trade unions, he said. Linus Jayatilake, President of Public Service Trade Union Federation and President of the United Federation of Labour, also spoke.

Source: sundaytimes.lk - Apr 19, 2017

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Asean eyes early conclusion of RCEP pact

The Association of Southeast Asian Nations (Asean) remains committed to conclude the Regional Comprehensive Economic Partnership (RCEP) deal at the soonest possible time, said the Philippine Department of Foreign Affairs (DFA).

"In fact, there is an Asean commitment to really fast track RCEP. It's more just Asean, we have to deal with our external partners to complete the negotiations," DFA spokesman Robespierre Bolivar told reporters. Bolivar said there was impetus to finish the regional agreement amid current developments. He identified current issues important to the region, including the West Philippine Sea (South China Sea), North Korean issue and terrorism which is "becoming more and more frequent."

RCEP aims to link Asean, an economic powerhouse with a market of 600 million people, to its six partner countries, creating a bigger market of 3.5 billion people. These are Australia, China, India, Japan, South Korea and New Zealand, with which Asean has free trade agreements (FTAs).

It targets for an FTA in goods and services as well as liberalizing flow of investments among the 10 Asean members and its FTA partners.

Bolivar said leaders of Asean members will discuss wide-ranging cooperation, including those in the economic sphere, including RCEP, when they meet here next week.

The country will host the 30th Asean Summit and Related Meetings from April 26 to 29. The summit proper will be held on the last day at the Philippine International Convention Center (PICC). The Philippines chairs the Asean Summit 2017, which marks Asean's 50th founding anniversary. It will also host the 31st Asean Summit in November. Asean groups the Philippines, Brunei, Cambodia, Indonesia, Lao, Malaysia, Myanmar, Singapore, Thailand and Vietnam.

Source: manilatimes.net - Apr 21, 2017

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Wool and cotton price hit all-time highs as demand exceeds production

Profitable farms, higher demand from local apparel producers and retailers, higher consumer's confidence levels and a profitability rebound based on growing margins are the main reasons why wool and cotton fibres are enjoying historic highs.

Thus, while the price of wool has risen to its highest point since April 2013 and is currently priced at circa 13 dollars per kilo, an intensified use of fine wool for high end fashion has proved a boon for countries such as Australia.

Wool price from strength to strength as production becomes profitable

Many have pinpointed how the global wool industry has changed recently as more wool is being grown and therefore available in the retail market. Stuart McCullough, managing director of The Woolmark Company explained in an interview with 'Fibre2Fashion' that "In the last decade, the (wool) price has gone up and that has been the biggest change."

"Farmers are now becoming profitable. This is a big and important change as they are now making money; that's because a decade ago they were not making any. They are keeping the industry alive," concluded McCullough.

Another trend noticed by analysts is how textile buyers are progressively moving away from China and going back to Western countries such as Italy.

"Before, given (brands) were paying much less, they turned a blind eye to quality," said to Reuters Giovanni Germanetti, director general of Italian yarn and textile producer Tollegno 1900. For Germanetti, the return of clients responds to their seeking for better value for money. On a related note, Alessandro Brun, professor at the MIP Milan Politecnico, said brands are also motivated by concerns over product traceability, and want to avoid potential reputational risk.

Growing interest from apparel producers in fine wool lifts Australian's production...and prices

The wool market is enjoying quite an upwards ride in Australia, as the fibres trading on the Eastern Market Indicator (EMI) price has seen seven consecutive weeks of climbing prices per kilogramme per week.

On average, the current price range for EMI is above 25 percent higher than a year ago. Providing greater detail, Chris Wilcox, the chief executive of the National Council of Wool Selling Brokers of Australia, reported the EMI has jumped 181 U.S. dollar cents per kilo in United States dollar terms since the Christmas recess and by 219 U.S. dollar cents per kilo since the start of the 2016/17 season. Wilcox highlighted that ultra fine and superfine wool had received the major gains.

In this regard, Australian Wool Exchange senior market analyst Lionel Plunkett said the record prices had brought previously unwilling sellers to market, pushing the amount of wool being held in storage to historical lows.

“The lack of wool on hold has severely limited any large increases in weekly quantities, enabling the market to gradually rise without any extra supply pressure and this sale was no exception,” Plunkett said, adding that “With clearance rates consistently in the 90 per cent region the amount of wool on hold will continue to stay at these levels.”

Source: fashionunited.in- Apr 20, 2017

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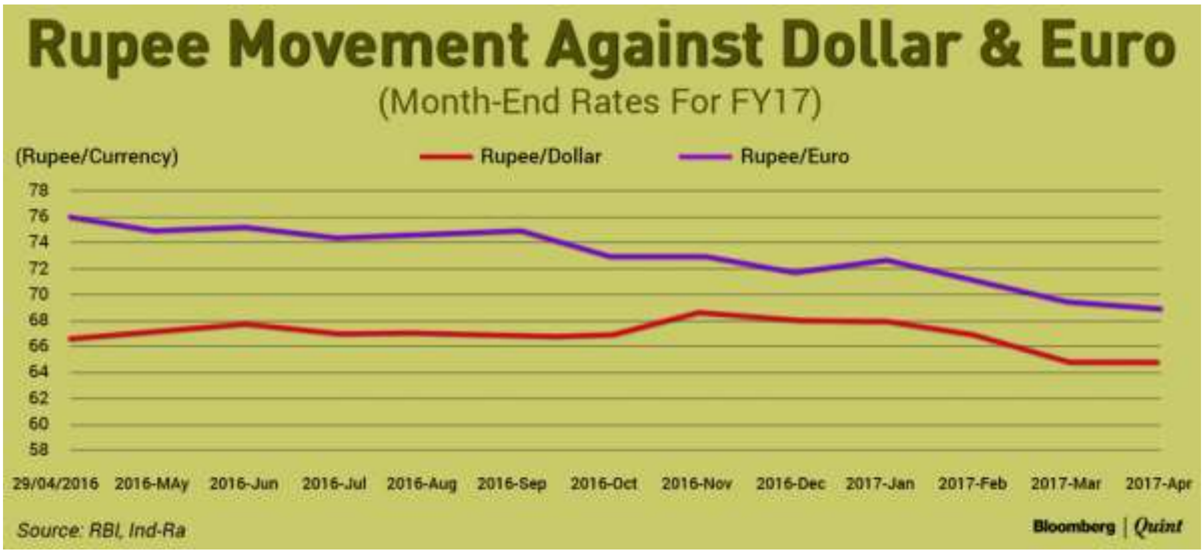
NATIONAL NEWS

Strong Rupee And Weak Global Trade To Dent Margins Of Textile And Apparel Exporters

Textile & Apparel (T&A) exporters' earnings and EBITDA margins will be impacted in the near term due to the Indian rupee's 5 percent appreciation against the dollar in 2017 ytd and weak apparel imports from traditional markets such as U.S. and U.K., says India Ratings and Research (Ind-Ra).



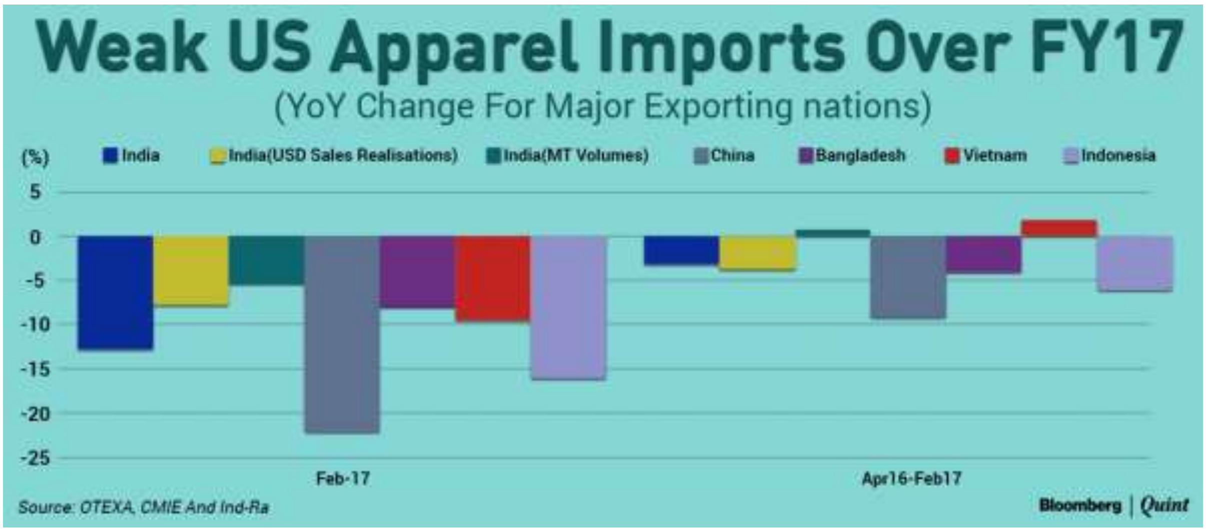
The ongoing strength of the rupee vs dollar as reflected in the 3-month dollar-rupee futures trading at around 65.19, constrains the price competitiveness of the Indian textile exporters.

However Ind-Ra believes that apparel exporters' value-added garments mix, partially hedged forex exposure, debt-light structure and reasonable liquidity to support the overall business and financial risk profile.

Furthermore strong domestic foothold of large spinners and weavers will mitigate any major impact on their business and credit risk profile.

Unabated strengthening of rupee vis a vis dollar in the current calendar year has added to the challenges of the T&A industry.

Ind-Ra had highlighted in the report 'Stable Input Prices, Fiscal Incentives to Support Textile and Cotton in FY18' the muted performance in 3QFY17 due to high cotton prices (17 percent higher prices yoy), demonetization and slow global trade.



The easing of liquidity over February – March 2017 propelled a recovery in production output and export volumes; however Ind-Ra believes export realisations will get dented due to the strong rupee.

More than 70 percent of Indian T&A exports are dollar-denominated. Strong rupee versus dollar is likely to have an adverse impact on the export trade volumes and earnings, since fresh export orders will have reduced competitiveness.

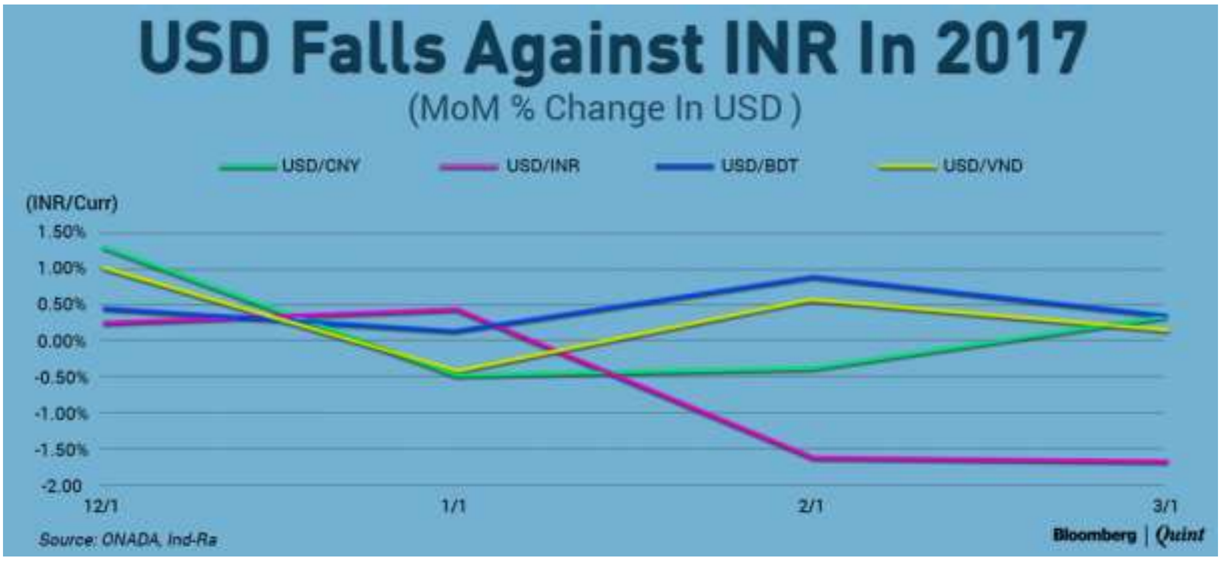
As on date, rupee has strengthened by more than 5 percent in 2017, while there has been negligible or a favourable movement of 1 percent, 0.5 percent and -1 percent for major competing nations namely China, Bangladesh and Vietnam respectively.

Ind-Ra estimates that rupee realisations will shrink by 3-5 percent in the near term and hence would impact the profitability of the companies across the textile value chain.

Ind-Ra believes that this may offset some of the gains which will accrue from the government of India's export stimulus package, GST implementation and U.S.' exit from the Trans Pacific Partnership.

Ind-Ra believes that export-oriented apparel manufacturers with unhedged receivable positions will be the hurt the most, due to their geographically concentrated (U.S. and Europe) earnings profile, low market share and restricted bargaining power with their global clients.

Ind-Ra expects EBITDA margin erosion of around 150 basis points year-on-year in Q4FY17.



Earnings and EBITDA margins of Ind-Ra rated large spinners and weavers will be relatively less impacted due to their diverse earnings profile, coupled with cost and quality leadership of their products.

While domestic demand has recovered from the negative impact of demonetisation, however strong cotton prices coupled with increased price competitiveness of imported yarn and fabric will pressurise margins.

Thus balance sheet deleveraging over FY17-18 may not be met fully, due to the likely shortfall in operating profits.

Source: bloombergquint.com- Apr 20, 2017

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Ministry of Textiles presents a curtain raiser to 'Textiles India 2017'

Celebrating the diverse crafts and textiles of India, the Crafts Museum in national capital was a vibrant place on Tuesday evening.

The Ministry of Textiles presented a curtain raiser to 'Textiles India 2017', the first ever global B2B Textile and handicrafts event in India.

The event brought forward the vision of the PM Narendra Modi - "From Farm to Fibre, Fibre to Factory, Factory to Fashion,

The event was hosted under the leadership of Minister of Textiles, Smriti Zubin Irani and Minister of State, Ajay Tamta. Speaking on the occasion, Smriti Zubin Irani shared that the spectrum of Indian textiles is extremely diverse and its history is world renowned.

Textiles India 2017 holds the promise of becoming a landmark annual trade event for the Indian textiles and apparel industry at the global level. With this curtain raiser, we are celebrating the significant achievements of our textile industry and the enormous promise of spectacular growth over the next few years.

A representation of artisans, weavers, emerging and established designers from across the country celebrated the special preview to Textiles India 2017.

The fashion designers and craftsmen showcased the strength of the Indian textiles sector in cotton, silk, wool, woven and hand-printed, embroidered as well as modern and futuristic textiles.

The textile story was narrated through the works of Abraham & Thakore, Anita Dongre, AnujBhutani, Anuradha Pegu, Amit Aggarwal, ChamanPremji, Good Earth, Hemant Agarwal, Kaleekal, MasabaGupta, Madhu Jain, Manish Arora, Manish Malhotra, Rajesh Pratap Singh, Rahul Misra, RituKumar, Rimzim Dadu, Rohit Bal, Sanjay Garg, Sabyasachi, Samant Chauhan, Shades of India - Mandeep Nagi, Sunita Shankar, Suket Dhir, Wendell Rodricks and Tarun Tahiliani.

The evening also saw the presence of political dignitaries, ambassadors of textile partner countries industrialists, industry associations, leading fashion and media houses including Dr Arvind Panagariya, Vice Chairman, NITI Ayog, H.E. Lorenzo Angeloni, Ambassador of Italy, H.E. Chitraganee Wagiswara, H.E. Melba Pria, Ambassador, Mexico, H.E. Dalton Sembering, Ambassador, Indonesia, H.E. Cho Hyun, Ambassador, South Korea, Muzaffar Ali, and Tarun Tahiliani.

Source: timesofindia.com- Apr 20, 2017

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TEXPROCIL urges RBI to extend EDPMS updation deadline

Textile exporters fear that their names might figure in the Reserve Bank of India's caution list after April 20, 2017 deadline - set for updating the shipping bills by banks - for no fault of theirs.

Their apprehension, it is learnt is due to the delay on the part of the banks in completing the EDPMS updation pertaining to shipping bills filed after February 28, 2014.

RBI introduced the EDPMS (Export Data Processing and Monitoring system) to monitor payments against Export Bill, and all banks are required to report in this system, details of the export proceeds realization pertaining to the shipping bills filed after February 28, 2014.

As an interim relief, RBI granted temporary exemption up to April 20, 2017 to exporters whose IEC were appearing in the caution list in the EDPMS and whose outstanding shipping bills (in value terms) was less than 30 per cent of the total value of shipping bills for the period from March 1, 2014 to March 1, 2016.

(After April 20, 2017, based on the latest position of outstanding export receivables, exporter's name may appear in the caution list on EDPMS).

The Cotton Textiles Export Promotion Council (TEXPROCIL) has urged the Reserve Bank of India to extend the EDPMS date by three months as many banks are yet to complete the updation process.

Ujwal Lahoti, Chairman, TEXPROCIL in a communication pointed out that since there were many shipping bills against which payments have already been realized and the E-BRCs issued by the concerned banks, but the EDPMS updation remaining yet incomplete at the banks end, many of the textiles exporters would find their names appearing in the caution list after deadline of April 20, 2017 for no fault on their part.

The Council has appealed to the RBI to advise all the banks to update the Shipping bills on the EDPMS and take a confirmation from them to this effect before putting the exporters in the caution list.

Source: business-standard.com- Apr 21, 2017

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Smriti Irani is weaving a better future for the textile sector, say officials

Soon after former HRD minister Smriti Irani was abruptly shifted from her ministry and given the textiles portfolio following a Cabinet reshuffle, she asked Indians to renew their pledge to wear handloom.

She rolled out a social media campaign, #IwearHandloom, to promote Indian handlooms in order to support the country's weavers.

The media did not extensively report this move, but models, actors and former top bureaucrats nonetheless responded to Irani's call.

Avid runner and former model Milind Soman, actor Jackie Shroff, fashion designer Anita Dongre and ex-Foreign Secretary Nirupama Rao were the first celebrities to upload pictures of themselves draped in handloom in support of Irani's campaign. The list has only been growing longer ever since.

Many viewed her being shifted to the Textile Ministry as a "demotion" and "punishment". Irani herself, however, dismisses such talk, promising to live up to "the Prime Minister's faith" in her new role. But the rumour mill kept grinding. Less than a year on, she seems to have kept her word, using social media platforms to promote handloom, thus providing a helpline for weavers. She also took steps to educate their children.

And early this week, she organised a fashion show — unheard of in a government setup — starring some of the most celebrated designers in the country, including Manish Malhotra, Sabyasachi Mukherjee, Manish Aroroa and Tarun Tahiliani.

"My aim as a Textile Minister is to put India on the world map of textiles and fabric and get Indian weavers their due. The ministry is working with world-renowned designers to make this happen," Irani told DNA. She refused to talk about her past controversies in the HRD ministry.

She agreed that modernising the textile sector — making it viable and profitable without letting its precious traditions lapse — is a challenge. "To create successful market linkages and ensure that weavers weave garments that are bought by the global fashion community, we are working with the National Institute of Fashion Technology and professional design groups to identify leading fashion designers who can mentor weavers," she says.

Unlike her stint in the HRD ministry, Irani's spell in the Textile Ministry has been without any brush with controversy so far. According to Textile Ministry officials, her long-term familiarity with people in textiles and fashion design is coming in handy.

They also admit that unlike her predecessors, she has been taking a keen personal interest in the industry. "Most of the work that has taken place in the textile sector has happened only after she took charge," say the officials.

"While she had some initial issues with bureaucrats soon after taking charge, things settled down soon after she understood the workings of the ministry in a better way," one of them told DNA.

One of her aides added, "As far as Irani is concerned, she has mellowed down when dealing with people and situations.

For instance, she had certain issues with a bureaucrat who was asked to leave the department. But a few days after changing his portfolio, she restored him to his former position and then even gave him the promotion he was due."

Initiatives she has stitched together

An Investment Facilitation Cell set up in Mumbai with an aim to help potential investors/entrepreneurs in the textile industry who are at various stages of the business cycle.

Power Tex India — a scheme to give an effective push to the power loom sector and spread it globally. Small weavers and units will be given financial assistance under this scheme.

The announcement of a helpline for weavers, apart from a census for them. The helpline will provide a single point of contact for handloom weavers across the country.

Steps taken to educate handloom weavers. An MoU was signed with the Ministry of Skill Development and Entrepreneurship for upgrading the skills of handloom weavers.

Source: dnaindia.com - Apr 21, 2017

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Tiruppur exporters working towards zero defect plan

Apparel exporters from Tiruppur are working towards turning the cluster into a zero defect manufacturing hub for textiles. They have called on the government for one-time intervention.

NIFT-TEA knitwear fashion institute, founded by exporters, is already running various projects such as skill development initiatives with the help of the state and the Centre.

NIFT-TEA can undertake the task of making Tiruppur cluster a zero defect hub with a little assistance from stakeholders. According to a study by the institute, about 2 lakh employees need to be upskilled in the cluster.

Over 80 per cent of the units in Tiruppur are MSMEs and cannot undertake initiatives for efficiency improvements.

There is a huge scope for improving the operations of these MSMEs, but they do not take the professional approach owing to their small size, knowledge levels and cost absorption capacity, Raja M Shanmugham, president of Tiruppur Exporters' Association (TEA) told a leading daily.

Shanmugham said that to make the cluster a zero defect manufacturing hub, a state-funded intitiative needs to be undertaken. A 10 per cent reduction in defects and wastage can be expected to save close to Rs 2,000 crore a year.

The upskilling cost will be about Rs 124 crore, according to NIFT-TEA.

Source: fibre2fashion.com- Apr 20, 2017

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ICAR to begin evaluating genetically modified Bt cotton

The Genetic Engineering Appraisal Committee (GEAC) under the environment ministry has decided to transfer the responsibility of evaluating and approving genetically modified Bt cotton to the Indian Council of Agricultural Research (ICAR).

A standing committee in the Department of Biotechnology (DBT) was shouldering this responsibility until now.

ICAR will be responsible for evaluating, approving and monitoring Bt cotton hybrids along with confirming the presence of approved gene. The organization has also given its consent for the same.

The volume of applications for releasing hybrids shot up in GEAC after 2005 and thus, a sub-committee was set up to review Bt cotton under chairman CD Mayee, said media reports citing sources.

A recommendation was then made to set up an Event-based Approval Mechanism (EBAM) for releasing Bt cotton hybrids. The committee was being services by the DBT standing committee until now.

The approval for the first Bt cotton crop was given in April 2002 after reviewing its biosafety and carrying out field trials.

Source: fibre2fashion.com - Apr 20, 2017

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Cotton turns 'white gold' after highest productivity in Punjab

Joint director, Punjab agriculture, JS Bains says this year cotton is likely to make a revival in several Southwestern districts where paddy was grown in the last few seasons.

Cotton, which is often termed by farmers as 'white gold' for bringing higher remuneration, is set to regain lost ground in Punjab where the area under the crop is expected to rise by more than 50 per cent after it fell to ever lowest 2.56 lakh hectares in the last year.

The revival of the fibre is buttressed by the highest productivity of 756 lint kg per hectare in kharif season 2016-17 compared to lowest ever 197 lint kg per hectare in 2015-16.

Due to extensive damage caused by whitefly this kharif season cotton acreage is expected to jump over four lakh hectares in Punjab after two-years of consecutive decline in the area.

In recent years farmers had opted for paddy in this region that traditionally grew cotton after yield declined and liberal sanction of new tube wells facilitated paddy sowing also the state has recorded highest ever cotton productivity in 2016-17 says, Bains.

By now, the expected revitalization of cotton has caused a spurt in demand for cotton hybrid seeds in North. There is also a rise in the demand for cotton hybrids in Punjab and Haryana.

Further Bains says, this year the agriculture department has arranged for teams of surveillance, scouts to control the weeds.

Source: fashionatingworld.com- Apr 20, 2017

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NITRA designs modern treatment scheme for CETP

The Northern India Textile Research Association (NITRA) has designed the Common Effluent Treatment Plant (CETP) situated at Ajrakhpur, Bhuj in Gujarat. NITRA has designed a modern treatment scheme integrated with water reclamation for the CETP.

The project also includes 6 months post-commissioning hand-holding support to be provided by NITRA.

The 150 KLD CETP project has been assigned to NITRA for implementation by Ministry of Textiles through Handicrafts Mega Cluster Mission (HMCM).

The project will lead to capacity enhancement as it will increase the effluent treatment capacity for the block printing cluster in Ajrakhpur from present level of 50 KLD to 200 KLD. It ensures environment protection and will restrict open discharge of effluent, curtailing environmental hazards.

The project will also ensure ground water saving by using lesser water as treated water is recyclable for use in washing and other operations. It will help conserve energy by reducing the amount of ground water lifted through pumping.

The project will also provide additional investment opportunities as an increase in cluster production and additional units will attract buyers and investors.

The CEPT will help increase the turnover and create employment opportunities. It will also lead to overall business growth.

The foundation stone of the CEPT was laid by Union textiles minister Smriti Irani.

Source: fibre2fashion.com- Apr 20, 2017

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'WE Space' to give a boost to apparel making

Minister for Industries A.C. Moideen will launch 'WE Space', the first of its kind infrastructure initiative to bring together women entrepreneurs, at Angamaly on Friday.

The 42,000 sq.ft. space is in INKEL Tower II at Angamaly, and it will be used entirely for apparel making. 'WE Space' is part of efforts by the Kerala State Industrial Development Corporation (KSIDC), which had launched 'WE Mission' earlier.

The new facility is expected to set the stage for women entrepreneurs to turn to apparel making and export.

The inauguration of the facility is scheduled for 4 p.m. Rogi John, MLA, will preside over the function, said a statement issued here.

Meanwhile, Mahila Apparels Park, a successful model of women's enterprises in the State, will be among the units that function from WE Space.

A total of 150 women work with the Mahila Apparels unit, producing cotton products, mostly for export. Cottons shirt has been one of the most successful products from the Mahila Apparels stable. The unit also makes ladies and kidswear. It now plans to make surgical and theatre uniforms for both export and domestic market.

Meanwhile, sources in Mahila Apparels said demonetisation had hit business hard. Transactions had come down, and the supply of raw materials was affected badly owing to currency crunch.

The cost of materials too had gone up along with labour cost, plunging the business into crisis. However, sources sounded optimistic, saying that the bad effects would soon fade away.

The unit had a turnover of around ₹1.25 crore in the last financial year, and it is expected to touch ₹3 crore this fiscal.

Source: thehindu.com- Apr 20, 2017

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Boost seen for cotton sowing on good realisations, normal monsoon

With the prediction of a normal monsoon, sowing and production of India's biggest commercial crop, cotton, is expected to get a further boost in 2017, on the back of good returns enjoyed by its cultivators last year.

"How much increase in acreage there will be would depend on further clarity on the monsoon but I am sure the crop area is going to go up. Market conditions also seem favourable," Nayan C Mirani, president of the Cotton Association of India, which represents the trade and industry across the value chain, told this newspaper.

Production in the current season has been 34.05 million bales, from a little over 33 million the previous year, though the crop area was less.

This was possible because some good rain and lower incidence of whitefly attack gave a boost to yield, said Mirani.

In Telangana and Andhra, the fall in price of pulses and chillies will also help cotton. "Farmers who have grown pulses will mostly shift to cotton this time, as they had suffered losses due to poor market prices in the past season.

Chilli farmers in Telangana and Andhra are also likely to switch to cotton in the ensuing kharif season. Overall, we expect a 10-15 per cent rise the crop area this time," said P Satish Kumar, director of Hyderabad-based Nuziveedu Seeds.

Last year, the Telangana government had asked farmers to grow pulses instead of cotton. The majority of farmers continued with cotton but those who sowed pulses faced a price slide.

According to Kumar, the cotton crop area is growing irrespective of monsoon conditions but timely onset of rain will have a role in more of sowing. Cotton seed companies are hopeful that their carryover stock would be less this time.

Apart from the large cotton growing states of Gujarat, Maharashtra and Telangana, farmers in Haryana and Rajasthan seem to be switching to cotton from foodgrain crops, say initial reports.

Source: business-standard.com- Apr 21, 2017

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India, EU likely to resume talks

Mogherini may discuss stalled trade pact; visit likely to open up ties with Italy

The talks between India and the EU that were stalled in the backdrop of the Italian marines crisis are likely to kick-start during the April 21-23 visit of a high official of the European Union.

The Ministry of External Affairs announced that the High Representative of EU, Federica Mogherini, will hold discussions with External Affairs Minister Sushma Swaraj on Friday.

Announcing the visit, Ms. Mogherini said in her blog that she would hold talks with Ms. Swaraj after arriving from China where she has co-chaired the EU-China Strategic Dialogue. “We will prepare for the 14th EU-India summit, to be held in New Delhi this year,” she said about her meeting in Delhi.

The visit of Ms. Mogherini, a senior Italian politician now with the EU, is significant as she is known to have adopted a hard position on the Italian marines case which turned into a difficult legal and diplomatic issue between India and Italy.

Sources revealed that though Ms. Mogherini is likely to discuss the stalled trade pact between India and EU, the visit is also likely to open up India-Italy ties.

“Senior politician Ivan Scalfarotto will be in Delhi during April 26-28 with a 200-strong business delegation.

A high-level Indian delegation will be in Italy on May 10-12 for the joint economic commission meeting," said a diplomatic source, confirming that the joint economic commission had not met during the past five years because of the marines issue.

Joint working groups

He also indicated that both sides had also revived joint working groups on defence, and science and technology. The joint working group on terrorism also met in January this year. The visit of Ms. Mogherini is likely to open up long pending issues in EU-India ties.

However, though bilateral India-Italy ties are expected to get a boost from her visit, India-EU ties would still have a long negotiation over the free trade agreement between both sides, reports suggest.

Market access

The main issues are over duties and market access but additional points of disagreement have reportedly emerged over new clauses that would not allow international companies to rush to international arbitration without completing cases in Indian legal system.

Following the cooling down of the marines issue, India had sent Ms. Swaraj to Rome last year where she had met her counterpart Paolo Gentiloni in the first high-level outreach since the marines crisis began in 2012.

Source: thehindu.com- Apr 21, 2017

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