IBTEX No. 69 of 2017 Apr 06, 2017

USD 65.02 | EUR 69. 43 | GBP 81.17 | JPY 0.59

Cotton Market

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

Rs./Bale	Rs./Candy	USD Cent/lb
20820	43550	**85.42**

Domestic Futures Price (Ex. Gin), March

Rs./Bale	Rs./Candy	USD Cent/lb
21220	44387	**87.06**

International Futures Price

NY ICE USD Cents/lb (May 2017)	74.85
ZCE Cotton: Yuan/MT (July 2017)	15, 395
ZCE Cotton: USD Cents/lb	**86.21**
Cotlook A Index – Physical	**85.60**

Cotton guide: Cotton traded in a very tight range as suggested in our previous days' report. For reference, the ICE May future traded in the range of 75.20 to 74.65 with closing the session a tad higher at 74.87 cents per pound. In the similar lines the Indian cotton futures ended the session at Rs. 21040 up by Rs. 80 from the previous close. Basically market was quite on Wednesday's trading session since there were no major cues in the market.

In fact we had stated although 50-day simple moving average is breached in the cotton price chart but holding strong support near 100- day SMA. We believe the trend is now essentially bearish having support at 74.40 levels. We expect only a fresh trigger in the market could bring a new move in the market and likely that the trend would remain under bearish tone.

For the day the trading range would be within the Wednesday's price range.

The aforementioned contract could move in a band of 74.40 to 75.20 cents per pound and recommend selling from higher levels.

More on the trading behaviour, the Open interest (OI) is continuously reducing in the front month contract. Ever since OI made a high of 0.164 million contracts on 1st March 2017 there has been continuous decline in the OI and as per the latest data the OI has shrunk to 0.127 Million contract. This indicates ahead of contract expiry huge cut in long positions along with roll over of position to July is being noticed.

In fact in recent few days the OI has increased in July from 47,850 to 69000+ contracts. This in another perspective also suggests that more than the roll over liquidation has driven the near month contract to trade down. We believe if the scenario continues in the near term the price of cotton for May contract soon should break the aforementioned support level of 74.40 and fall towards 73- cents per pound in the near term.

Coming to Indian context the spot price continues to trade steady but at a larger premium to International price. The ex-gin spot price of S-6 variety remains perpetual near Rs. 44,500 to Rs. 44700 per candy. The equivalent parity rate with the prevailing exchange rate quoted at 87.60 cents per pound. In the meanwhile, Import demand has continued, with southern mills focused on any prompt lots of US or West African cotton.

With the physical market being closed on the previous day the arrivals were lowest in last one month stood at 66,000 lint equivalent bales including 12000 from Gujarat and 28,000 from Maharastra. We believe with the resumption of spot market the arrival may increase at least to the average level of 95,000 bales which may cause additional pressure on the cotton price. Overall we expect cotton market to remain steady to a weaker trend and recommend selling from higher levels. The trading range for the day would be Rs. 20800 to Rs. 21170 per bale for April contract trades at MCX platform.

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

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INTERNATIONAL NEWS

USA: Trade Deficit Falls as Imports Tumble, Exports See Small Gain

The U.S. monthly trade deficit in goods and services fell 9.5 percent in February to $43.6 billion a month after a 9.5 percent increase.

Exports edged up 0.2 percent to $192.9 billion while imports slipped 1.8 percent to $236.4 billion.

Country/region	Deficit	% Change	Surplus	% Change
China	$31.7 billion	5		
European Union	$12.0 billion	-10.4		
Mexico	$6.2 billion	12.7		
Germany	$5.2 billion	-5.3		
Japan	$4.9 billion	-10.9		
Canada	$2.4 billion	20		
Italy	$2.1 billion	-12.5		
South Korea	$1.9 billion	17.4		
India	$1.8 billion	-5.3		
France	$1.3 billion	-18.9		
Saudi Arabia	$1.2 billion	33.3		
Taiwan	$1.1 billion	22.2		
Hong Kong			$3.3 billion	-5.7
South/Central America			$2.0 billion	-35.5
Singapore			$1.1 billion	-8.3
Brazil			$0.5 billion	-28.6
United Kingdom			$0.2 billion	Shift from $0.9 billion deficit

Commerce Secretary Wilbur Ross used the release of the February statistics to state that the Trump administration is "very focused on eliminating our nation's trade imbalance."

On March 31 Trump issued an executive order directing the preparation within 90 days of a report identifying those foreign trading partners with which the U.S. had a significant goods trade deficit in 2016.

The White House is expected to use that report in further developing its trade policy, though details are as yet unclear.

The U.S. goods trade deficit fell 6.6 percent in February to $65.0 billion. Imports of goods were down up 2.1 percent to $193.4 billion, including decreases of $2.6 billion in automotive vehicles, parts, and engines and $1.9 billion in cell phones and other household goods.

Exports of goods were up 0.3 percent to $128.5 billion, including gains of $600 million for pharmaceutical products and $500 million for other goods along with decreases of $600 million each for soybeans and civilian aircraft.

The services surplus rose less than $0.1 billion to $21.4 billion. Imports were down less than $0.1 billion to $43.0 billion and exports were up less than $0.1 billion to $64.4 billion.

Source: strtrade.com- Apr 06, 2017

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Pakistan: Textile package disbursal to start soon: minister

Khurram Dastgir Khan, commerce minister on Wednesday said the first installment of the Rs180 billion textile incentive package will be disbursed in the coming few days as funds have been released for the purpose.

The minister did not give further details.

Talking to the journalists at a seminar on the ‘Ease of Doing Business in Pakistan’, Khan said Pakistan Pakistan has been ranked as one of the top ten economies that introduced revolutionary reforms to enhance the ‘ease of doing business’ manifold.

“We are focused on improving counterterrorism, law & order, and energy infrastructure since coming into the power in 2013,” Khan said.

The minister however, stressed that issues like terrorism and energy crisis could not be overcome overnight.

"These issues were developed over generations and will take time before they are completely eradicated, but the government is committed to uproot these menaces from the country," he said.

On energy crisis, the minister claimed the industrial feeders are now free of outages and smooth supply is being ensured to industries around the clock, while domestic outrages will end next year as a number of power projects will come online by then.

"We are alive to the fact that energy and law & order are critical for not only the industrial progress but also for the creation of jobs", the minister observed.

Earlier, Governor Punjab Rafique Rajwana in the opening session of the conference highlighted the government's efforts for creating business-friendly environment.

"Foreign investors have once again started reposing their trust in Pakistan. That's why foreign direct investment is growing in various sectors," Rajwana said.

Source: thenews.com.pk- Apr 05, 2017

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Vietnamese workers warned of 'robot threat'

Robots are already being used at the 20-hectare Vinamilk actory in Binh Duong province. There are 19 robots and several workers. Everything runs on an automation process. Some robots carry packs to the filling room, while others take finished products to the storehouse.

When robots begin to lose power, they automatically go to the battery charging area, where they install full batteries without the assistance of workers.

Millions of textile & garment and footwear workers could be replaced with robots in the future.

Nguyen Chien Thang, director of Scan Pacific, an interior product manufacturer, who has received more orders from foreign partners in recent years, has decided to equip his newly built factory with an automated production line, which would help increase productivity by 4-5 times.

Other large furniture companies in Binh Duong have also spent money on automation technology. A representative of Vi Dai, a supplier of machines and equipment, said the company’s sales increased by 50 percent in 2016 because more wooden furniture manufacturers bought modern equipment to increase productivity and lower costs.

Thanks to the automation production line, which has been running in the last 10 years, Minh Long 1 Porcelain Company has cut the number of workers from 400 to 20. To date, it has imported seven robots with the value of no less than 40,000 euros.

Analysts commented that though it is costly to replace workers with intelligent robots, using robots in production lines is a growing tendency worldwide, including in developing countries like Vietnam.

The World Economic Forum predicted 5 million jobs would be lost by 2020 because of artificial intelligence. The latest report from ILO shows that two-third of 9.2 million workers in the textile & garment and footwear industries in South East Asia are being threatened by robots.

In Vietnam, ILO said 86 percent of textile & garment workers may lose jobs in the automation process, while three-fourth of workers in the electronics sector will be replaced with robots.

Pham Thi My Le, president of Le & Associates, predicted that 80 percent of works would be undertaken by robots by 2020.

The popularity of robots would prompt multi-national conglomerates to stop outsourcing to Asian countries and to make products in their home countries with automated production lines. If so, Asian countries, which now rely on doing the outsourcing for foreign companies, would suffer.

Vietnam can attract foreign investments thanks to cheap labor. However, once robots replace large numbers of workers, that advantage will diminish.

Source: vietnamnet.vn - Apr 06, 2017

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Euro zone retail sales see bigger than expected increase in February

Euro zone sales increased by more than expected in February as shoppers bought far more clothing than in January in a sign that consumers are still spending despite higher inflation.

Retail sales in the euro zone increased by 0.7% in February from January, the European Union's statistics office Eurostat said today.

This was more than the average market expectation of a 0.5% rise.

Year-on-year, the volume of retail sales grew 1.8% in January, higher than the 1.4% rise forecast by economists polled by Reuters.

Eurostat also revised its figures for January, the month-on-month figure turning to a positive 0.1% from -0.1%and to 1.5% for the year-on-year figure, from a previous 1.2%.

The figures, which are often subject to revision, may indicate an increased appetite for shopping in the euro zone, which had appeared to be dented by higher consumer prices.

However euro zone inflation dipped to 1.5% in March from 2% in February.

The increase in the retail sales in the month was mostly due to a 0.9% rise in purchases of non-food products, a wide category that includes clothing, electrical goods, pharmaceutical products and e-commerce.

Sales of textiles, clothes and footwear were up 2.2%, while those of electronics and furniture sales declined by 0.3%.

Sales of food, drinks and tobacco also gained 0.7%. Car fuel sales declined by 0.9% in the month.

Monthly sales rose by most in Portugal, up 3.1%. Of the larger nations, Germany was the stand-out, with a 1.8% increase.

Source: rte.ie- Apr 04, 2017

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Chinese textile sector investors invest in Egypt

Investors from the Chinese textile industry have committed to investing in Egypt's Suez Canal Economic Zone (SCZone).

This was announced by Ahmed Darwish, head of the Suez Canal Economic Zone (SCZone) at the Belt and Road Industrial and Commercial Conference.

Among the many Chinese investors is Jushi, a major Chinese producer of fibre glass.

"The Belt and Road initiative is an effort to revive the ancient trade route known as the Silk Road and in the process, connect China and countries in Asia, Africa and Europe and is a pet project of Chinese premier Xi Jinping," a Chinese news agency reported.

The first round of the annual Belt and Road Industrial and Commercial Conference was organised by Egyptian Businessmen's Association and China Federation of Industrial Economics.

Source: fibre2fashion.com- Apr 06, 2017

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Australian cotton crop to hit near-record levels

Australia's cotton crop will get even bigger next season, as good returns prompt farmers to continue increasing sowings, US officials said.

The US Department of Agriculture's bureau in Canberra forecast 2017-18 cotton production at 5.0m bales, up from 4.6m bales in the previous season, thanks to "attractive cotton prices, cheap water and strong overseas demand".

"These factors encouraged Australian cotton growers to increase plantings for the 2017-18 season and the share of dryland cotton has increased significantly," the bureau said.

Cotton production is now forecast at the second highest level on record, representing a huge increase from the crop of just 2.30m bales seen back in 2014-15 crop year.

Increase in area

The recent boom in production is down to increased area, as farmers up plantings thanks to good returns, with harvested area also seen at near record levels.

"In recent years, cotton farms have extended further into New South Wales in competition with rice, citrus and summer crops such as sorghum," the bureau said.

But the bureau warned that this increase in sowings means a greater portion of the crop is now planted on unirrigated land, which could make the crop more vulnerable to any unwelcome weather developments.

Strong demand

Cotton exports from Australia are forecast at 4.8m bales in 2017-18, up 600,000 bales year-on-year, thanks to "greater production and strong international demand".

China is still expected to be remain the main destination for Australian exports, but the bureau noted that "high levels of stocks have reduced demand in recent years".

But fresh demand is emerging from the Indian textile industry.

The bureau notes that 25% of exports in 2016-17 went to India, compared to only 2-3% in previous years.

Source: agrimoney.com– Apr 05, 2017

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Sweden: H&M aims to become climate positive by 2040

H&M intends to become climate positive throughout its entire value chain by 2040 and also use 100 per cent sustainable sourced materials by 2030, according to its sustainability report 2016.

The company will work to reduce more greenhouse gas emissions than its value chain emits and strengthen the planet's ability to recover and resist climate change.

"We want to use our size and scale to lead the change towards circular and renewable fashion while making our company even more fair and equal. This is why we have developed a new strategy aiming to take our sustainability work to the next level," said Anna Gedda, head of sustainability at the H&M group.

"We want to lead by example, pave the way and try new things – both when it comes to the environmental and social side – to ultimately make fashion sustainable and sustainability fashionable. Our climate positive strategy is one way of doing this," she added.

To become climate positive, the H&M group focuses on energy efficiency, renewable energy by addressing unavoidable emissions and supporting technological innovations making it possible for the planet to absorb greenhouse gases.

By 2030, H&M aims to use only recycled or other sustainably sourced materials in its products. In 2016, this share was 26 per cent. To push the development forward, collaborations based on science is important.

H&M has therefore initiated a research project with the Ellen MacArthur Foundation and the Stockholm Resilience Centre at Stockholm University to find out how a circular system for producing and using textiles, which is less dependent on scarce natural resources, would look like.

The report also mentions that H&M in 2016 was named the biggest global user of cotton certified by the Better Cotton Initiative. When it comes to recycling and reuse, the H&M group is continuing to drive an ambitious development plan.

Source: fibre2fashion.com– Apr 05, 2017

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Monsanto Earnings Beat Estimates as U.S. Seed Sales Climb

Monsanto Co., the world's largest seed company, reported record fiscal second-quarter earnings amid signs that U.S. farmers are preparing to sow record acreage with soybeans this year.

Profit excluding one-time items was $3.19 a share in the three months through February, St. Louis-based Monsanto said in a statement Wednesday, beating the highest of 16 analysts' estimates compiled by Bloomberg. Sales rose to $5.07 billion from $4.53 billion a year earlier, also exceeding all estimates.

The company, which is the subject of a pending $66 billion takeover bid from Bayer AG, also said full-year profit is now expected to be at the high end of a previously forecast range of $4.50 to $4.90 a share, excluding one-time items. Monsanto reiterated that it expects completion of the merger with Bayer by end of the year.

The second quarter is typically Monsanto's best period for revenues, reflecting buying from Northern Hemisphere farmers as they plant their next crops, plus end-of-season demand from South America.

The U.S. is expecting record soybean plantings this year, the government said last week in an annual report.

Total corn, soybean and cotton acreage in the U.S. is projected to be 2.2 percent higher in 2017, which is positive for Monsanto, Don Carson, an analyst at Susquehanna Financial Group, said in a note before the earnings. The company is also seeing higher sales in North America of Roundup Ready Xtend, its latest genetically modified soybean seed, while benefiting from expanding corn and soy acreage in South America.

“Soybeans will have better profitability this spring, and we’re seeing that through the rapid adoption of the new soybeans,” said Chris Perrella, a Bloomberg Intelligence analyst. “Continued strong performance in Latin America plus strong demand for new products” is helping to drive the upside.

Other favorable factors Monsanto noted Wednesday:

- Growth exceeding 25 percent for its global soybean gross profits.
- Raising its estimate for U.S. acreage for its new Roundup Ready 2 Xtend soybeans to 18 million acres (7.3 million hectares) from 15 million previously.
- Increasing demand for cotton seed, which it says will help gross profit from the cotton segment rise more than 35 percent.
- For Monsanto’s corn business, strong grower demand in Europe and the U.S., as well cost savings in the U.S.
- Greater-than-anticipated corn acreage growth in Argentina of more than 40 percent.

Monsanto rose 0.5 percent to $115.31 in New York.

Bayer’s takeover has a more favorable outlook amid allayed regulatory concerns after competitors Dow Chemical Co. and DuPont Co. won conditional European Commission approval for their merger on March 27.

The global seeds and pesticides industry is in the middle of a wave of consolidation that could leave it dominated by just three huge companies. Besides Bayer-Monsanto and Dow-DuPont, China National Chemical Corp. is in the final stages of a takeover of Swiss seed maker Syngenta AG.

Source: bloomberg.com– Apr 05, 2017

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Pakistan fixes target of 14.4m cotton bales

Pakistan to fulfill the domestic requirements as well as exports has decided to cultivate cotton crop over 3.118 million hectares of land during the current sowing season (2017-18).

Cotton Commissioner Dr Khalid Abdullah said that cotton crop is to be cultivated over 2.429 million hectares of land in Punjab, where as in Sindh it would be sown over 0.650 million hectares of land during the current season.

Meanwhile, the cotton crop would be cultivated over 0.038 million hectares of land in Balochistan and on about 0.001 million hectares in Khyber Pakhtunkhwa respectively.

As the cotton crop production targets during the season were fixed at 14.40 million bales as against the production targets of 14.1 million bales of last year.

Source: yarnsandfibers.com– Apr 05, 2017

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Japan to help develop silk production in Cambodia

Mulberry trees are now a rarity in Cambodia as most of them having been destroyed during the Khmer Rouge era. Silk weavers in Banteay Meanchey, Kandal, Takeo and Phnom Penh's main silk producing area of Koh Dach have no choice but to import raw silk from either Vietnam or Thailand.

Commerce Minister Pan Sorasak said that investment from the Japanese company would help diversify Cambodian silk production and generate more jobs for women in rural areas.

A Japanese beauty company II Brille to invest in Cambodian silk production to supply the local market and export to Asia and the United States.

The company runs two beauty salons and a shop in Phnom Penh, uses silk in cosmetic treatments and products for customers. Il Brille specializes in silk products including lotions and shampoo.

The investment will bring transferrable knowledge and experience to Cambodia," Mr. Sorasak said. Their project to boost silk production in Cambodia will be carried out with the support of the Japan International Cooperation Agency.

Kazunori Kato CEO of the Japanese company told the minister, the company will try and develop silk production in Cambodia to supply silk products locally and to buyers in Asia and the United States. His company has already sent staff for training in Thailand on how to grow mulberry trees and raise silkworms. Silkworms only eat the leaves of the white mulberry tree.

Mr. Kato said that the training will help to reduce the reliance on imports of raw silk from Thailand and Vietnam in future. There is also a lack of skilled workers because many Cambodian silk producers have migrated to work in neighboring countries.

Hean Vanhan, director-general of the Agriculture Ministry's general directorate of agriculture, said that cosmetic uses of silk are becoming more popular and could be a lifeline to an industry that has almost been wiped out.

Previously, silkworm farming was only associated with silk weaving. But their local silk industry has almost collapsed due to cheap imports from neighboring countries.

Mr. Vanhan said that the ministry will work with the Japanese company to research how best to grow the mulberry trees and raise silk worms. The company will train workers while the ministry will supply land for the farms. The project will help boost the living standards of farmers who traditionally only grew rice.

Mao Thora, secretary of state at the Commerce Ministry and chairman of the Cambodia Silk Sector Development and Promotion Commission, said that the commission has been working hard to boost the industry.

It has produced documents about silk in Khmer to instruct producers on how to feed silk worms, maintain a healthy environment for worms to grow, and ensure silk production is of a high enough quality to satisfy local and export markets.

According to Men Sinoeun, executive director of the Artisans Association of Cambodia, the demand for raw silk in the country's cottage silk weaving industry was about 100 metric tons a year, while local production was only one metric ton a year.

Their association will be affected if there is no local silk to supply the production chain. Therefore, to make their production work, they have to import raw silk, if they want the cottage industry to survive and hence they have decided to import from foreign countries.

Source: yarnsandfibers.com– Apr 05, 2017

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Made in Kenya clothes initiative to create an Sh8Bn local market

The four day sale initiative of the Ministry of Industry, Trade and Investment in partnership with Textile and Apparel Firms under the Export Processing Zones programme to test where there is an appetite for Made in Kenyan products as for far long been flooded with second hand clothes.

The super sale allowed Kenyans to buy original international fashion brands including Victoria Secrets, Tommy Hillfiger and Calvin Klein among others. Products which were priced between Sh100 and Sh600 for items that cost Sh4,000 to Sh8,000 in international markets.

Industrialization and Trade Cabinet Secretary said that they were pleasantly surprised at the level of demand people have for these products, the interest and the desire and the satisfaction that people got. People were queuing for more than six hours to get into the KICC center to actually buy a piece of jeans or a blouse or a top or an innerwear and in those four days over 50,000 garments have been sold.

The country exports more than US$400million – Sh. 40 billion – per year to the US under the AGOA program, with the government saying it intends to exceed a billion dollars in the next two to three years.

They also want to sell Sh8 billion worth of textiles and fabrics into the domestic market per year . This will be possible following the agreement that has been effective for the last twelve months allowing EPZ companies that are exporting fabric to sell up to 20 percent of their produce into Kenya.

The employment creation potential that the textile sector has is one of the reasons the ministry has placed emphasis on the sector. Additionally, the sector has also built experience and made the export market available to Kenya.

According to the CS, tax legislation, for instance, has caused hurdles for countries planning to tap the export market. But the changes in legislature and policy are now favoring the domestic market.

The threat that many African countries, including Kenya, suffer from is that they do produce things, but sometimes these things are unavailable to the domestic market. Where there is access, there's also second-hand products which come in to compete with new products that are usually more pricey.

Wholesalers, especially those involved in the Mitumba sector are urged to go to EPZ factories directly, buy and sell these products through their established value chains and supply chains.

The super sale is currently ongoing at the Thika Road Mall, with plans of taking it to other counties in the pipeline They are planning to do one in Mombasa, Meru and another one in Eldoret.

Source: yarnsandfibers.com – Apr 05, 2017

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Uganda: Textile Giants Eye Uganda's Organic Cotton

Renowned international textile firms are to step up importation of organic cotton products from Uganda, a move that is expected to boost the sector.

Textile importers from Germany, Denmark and other European countries, during a tour of Western Uganda Cotton Company (WUCC) in the south-western Uganda district of Kasese last week, said they were impressed with the quality of Uganda's cotton that they were receiving from the country.

"I import 500,000 T-shirts per year, but now I want to grow it to one million pieces annually next year 2018. When you ask me why, I will tell you it is because Uganda has good cotton with production facilities," said Joern Otto, the vice president for sourcing at Bonprix Company, which is based in Hamburg, Germany.

Otto, however, noted that Uganda's textile industry still needs more support.

"Uganda's textile sector looks good, but it needs more technical support in the form of training workers," he said.

The investors who were taken through the cotton ginning process by an official from WUCC, Walter Obonyo, also commissioned Hanne nursery and primary school in Nyamirangara, Kasese.

The community-based school, which was started by cotton farmers, was named after one of the visiting investors, Hanne Gottorp Larsen, who is funding the construction of the school.

Jas Bedi, the director of Fine Spinners Uganda Ltd (FSUL), said he had come with investors from Europe to show them the kind of impact the trade in cotton was having on poor communities.

"I have come with my customers from Europe to see where the T-shirts come from and where the cotton for making T-shirts comes from. We also want our farmers to get a win-win situation," said Bedi.

Fine Spinners took over Tri-Star Apparel and recently Phenix Logistics garment industries. Bedi said a diagnostic study on revamping the productivity of the textile firm has been done.

"Our investment model in Uganda is based on a model of value addition on Uganda's cotton. Within the next three months, you will see a lot of activity," Bedi said.

Bedi said Fine Spinners is working with Cotton Development Authority to improve the cotton yields. Statistics show that cotton prices are rebounding. While commissioning the school, the resident district commissioner Kasese, Maj James Mwesigye, urged the German investors to come and invest in Kasese district.

Paschal Kilolo, the Kasese district assistant inspector of schools, said there are 240 acres of land at the Kasese industrial and business park that investors can apply for.

"We have salt, copper and cobalt here. We also have coffee and cotton. So, people should come and develop this land," Kilolo said.

Despite the unpredictable weather conditions that keep on affecting the yields, cotton prices have been on the increase. Farmers received Shs 2,500 per kilogramme this season compared to Shs 1,500 around the same time last year.

The increase in prices and the introduction of the fast-yielding cotton variety, which takes four months as opposed to about seven initially, is encouraging farmers to grow cotton.

Uganda's Vision 2040 highlights the importance of manufacturing and value addition in enabling the development of an export-led and an internationally competitive economy, which is able to spur growth.

State minister for microfinance Haruna Kyeyune Kasolo said during the recent handover of Phenix Logistics to Fine Spinners that investors are expected to support government's efforts in promoting production of textiles using Uganda's organic cotton. This, he added, would increase Uganda's export earnings.

Source: allafrica.com– Apr 05, 2017

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NATIONAL NEWS

Government Has Taken Steps To Generate Employment Opportunities: Shri Bandaru Dattatreya

Government has taken various steps for generating employment in the country. This was stated by Shri Bandaru Dattatreya, the Minister of State (IC) for Labour and Employment in response to a question in Rajya Sabha today through a written reply.

He highlighted on various measures taken in this regard. This included encouraging private sector of economy, fast tracking various projects involving substantial investment and increasing public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP) run by Ministry of Micro, Small & Medium Enterprises, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA), Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) run by Ministry of Rural Development and National Urban Livelihoods Mission (NULM) run by Ministry of Housing & Urban Poverty Alleviation.

Shri Bandaru Dattatreya has stated that around 20 Ministries run skill development schemes to improve employability of youth in the country.

According to the data compiled by MSDE, the number of persons skilled across various sectors during 2015-2016 were 1.04 crore.

He further mentioned about National Career Service (NCS), online job matching portal for jobseekers and employers and Pradhan Mantri Rojgar Protsahan Yojana (PMRPY).

PMRPY scheme aims at enhancing employment opportunities in the country by providing incentive to employers.

"In textiles (apparel and made-ups) sector, the Government will also pay the 3.67% EPF contribution of employers in addition to paying the 8.33% EPS contribution.

Government announced a booster package of Rs. 6000 crores for the textile sector which is an employment intensive sector", he said.

Source: ndtv.com- Apr 05, 2017

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City's textile traders hit hard by truckers' strike in South India

The country's largest man-made fabric (MMF) wholesale market in Surat is hit hard following the indefinite strike called by truck owners in south India to protest mainly the proposed 50% hike in the third party insurance premium.

Industry sources said that south India is the big market for saris and dress material with the daily supply to the tune of over Rs 30 crore. Out of the total four crore meters of fabric production in the city, around 25% is meant for the supplies to South India markets including Chennai, Andhra Pradesh and Telengana.

"Lorries are not going to southern states from the city. Trucks which have national permit have been diverted. All south India bound trucks and lorries have stopped. And there is no movement from south India also," said president of Federation of Surat Textile Traders Association (FOSTTA), Manoj Agarwal.

Agarwal added, "South India is the big market for the textile traders. We have been sending around Rs 35 crore worth of textile goods to south India states per day. The truckers' strike has affected the business of the traders here."

President of Surat Textile Goods Transporters Association (STGTA), Yuvraj Deshle said, "We can't take risk by accepting the delivery of textile goods towards the south India states.

The truckers' strike has entered into its third day and it is going to continue till their demands are not met. We have stopped taking bookings for south India."

Source: timesofindia.com - Apr 06, 2017

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Raymond to reposition four major brands

Textile and apparel maker Raymond is repositioning its menswear brands even as it enhances product portfolios.

Apart from ceremonial and ethnic wear, a range of accessories and footwear offerings will be added across the four brands -"Raymond" brand of ready-to-wear apparels, Park Avenue, ColorPlus and Parx - over a period of time.

While, Raymond and Park Avenue – catering to the luxury and premium segments respectively – will see "significant enhancement" in ceremonial and casual wear, ColorPlus and Parx – in the premium and mid-level segments – will witness "calibrated extensions of formal products".

According to Gaurav Mahajan, President, Apparel Business, Raymond Ltd, ethnic wear will be a big addition under the Raymond brand, while other brands will have extended offerings to be made into "full wardrobe" ones (having all possible product ranges).

"We are in the midst of repositioning our four major brands to expand and extend the portfolio. Each brand will be positioned differently to target a larger market. Each will be a full wardrobe offering and additions could include footwear, accessories, moving beyond casual wear, and so on," he told *BusinessLine*.

The idea behind repositioning brands is to ensure that they do not cannibalise each other while targeting specific audiences, market sources said.

For example, while Raymond will look at the luxury-to-premium segment with a classic range of offerings targeting the mature audience. ColorPlus, also targeting the premium segment, will focus on leisure and smart casual segments.

Park Avenue will focus on the "quirk" content, but targeting the premium segment, while Parx will target youngsters, be more experimental in designs and casual by nature.

“We are looking to create enough separation between the brands,” Mahajan pointed out, while maintaining that “price” and fashion preferences and not cannibalisation is the reason for re-positioning.

Currently, Park Avenue accounts for 45 per cent of the Raymond apparel portfolio, while ColorPlus and Parx contribute 25 and 15 per cent, respectively. Raymond ‘Ready-to-wear’ accounts for the remaining 15 per cent.

The company will also look to focus on both retail and digital expansion. Its omni-channel strategy is also being put in place over the next 12 months.

Market sources claim that Parx is being slowly pushed with primary focus online. The other three will focus on offline growth. Mahajan, however, has a different take.

“There may be increased traction for Parx over a period of time in one channel because of the customer we are targeting. But its not that we will ignore or focus on one particular channel,” he points out.

According to him, Raymond will focus on all channels to push sales of its four brands.

Source: thehindubusinessline.com- Apr 06, 2017

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As India remains hard-nosed on its demands, foreign and trade policy gap widens

Countries often join trade negotiations as they consider trade deals ‘insurance policies’ against friction in bilateral ties. But since many countries do not have congruence in their foreign and trade policies, trade negotiations propelled by geostrategic motives often result in shallow deals limited to marginal increases in market access.

Strategic pressures to conclude trade agreements preclude the possibility of these being comprehensive frameworks for generating meaningful trade and cross-border movement of capital and people.

The 16-country RCEP negotiations involving ASEAN, India, China, Japan, Korea, Australia and New Zealand, is a pertinent example.

The RCEP took off for preserving the geostrategic sanctity of the ASEAN-led regional economic order at a time when it was threatened by the TPP. The collapse of the TPP has focused additional attention on RCEP and its economic architecture.

Many RCEP members are keen on quick conclusion of the deal in a show of regional solidarity by limiting its ambitions to a common schedule promising more tariff cuts. But a hurried deal for safeguarding strategic insurance might be difficult to sell to domestic constituencies of many members who would be unconvinced with its economic prospects. Indeed, this is where for a RCEP member like India foreign and trade policy priorities sharply diverge.

At RCEP, India is unwilling to yield ground on tariffs till it is assured of easier movement for its professionals. The Indian resistance can be traced to the disappointment with outcomes of earlier FTAs with RCEP members. India has several FTAs with many RCEP members. These include goods and services FTAs with ASEAN and bilateral trade deals with Singapore, Malaysia, Japan and Korea.

Most of these FTAs initiated in the last decade were motivated by India's desire to integrate deeper with Southeast Asia and become an important strategic actor in the Asia-Pacific.

India's geo-strategic ambitions were complemented by several Southeast Asian countries that yearned for a more 'active' India in the region for counterbalancing a rising and assertive China. Trade and economic cooperation was the most virtuous way for realising India's geo-strategic ambitions.

Indeed, as India and many of its 'suitors' from the region began working on trade agreements, simultaneous diplomatic initiatives saw India becoming dialogue partner of the ASEAN and a member of the East Asia Summit.

India's existing FTAs with RCEP members have increased India's trade with the region. However, Indian industry has not been favourably disposed to these FTAs.

It has held the view that these FTAs have largely increased imports into India rather than increasing Indian exports to regional markets. This could be partly true, given that large cross-border businesses like automobiles have set up assembly bases in India and are extensively importing parts and components from the region.

At the same time, the fears of the Indian industry could be exaggerated as studies point to limited use of most FTAs given lack of greater knowledge about them on part of businesses. Nonetheless, Indian industry has remained largely cynical about prospects of India’s FTAs with the region with the impression extending to RCEP as well.

From a negotiating perspective, it is important for India to ensure that RCEP does not become another deal that fails to enthuse domestic constituencies. India’s negotiations for market access suffer from the handicap that in several industries, particularly farm products, Indian tariffs still remain bound at higher rates than those in the region.

Many of these products figure in sensitive or negative lists of India’s tariff commitments in existing FTAs with Southeast Asia thus leaving considerable room where countries from the region can demand tariff cuts from RCEP. ASEAN and other members are pressing for a composite tariff schedule at RCEP that would eliminate more than 90% tariffs on traded goods.

For India, this implies slashing tariffs on the sensitive lists. It would enhance criticisms of India’s FTAs primarily facilitating imports. Greater market access by slashing sensitive tariffs is acceptable only if India is granted equally meaningful reciprocal access elsewhere. And this is where India’s demand for greater mobility for its professionals assumes significance.

Some of India’s FTAs with the region, such as the services agreement with ASEAN and the bilateral FTAs with Singapore and Malaysia, have provisions for movement of professionals. But these have not produced the mobility that India expected. This is not surprising since ASEAN, as a region has made little progress on movement of people within itself.

Notwithstanding the near-term goals of the ASEAN Economic Community and a common ASEAN market, seamless movement of people remains a major problem.

Regional negotiators therefore are unwilling to commit on the Indian demand. Despite joint business groups like the India-Malaysia CEOs forum urging for reciprocal movement of professionals, it is an issue where most RCEP members are on the same page and unwilling to commit on market access for skilled labour.

But India's posture remains hard, as it feels let down by the region in its commitments on this subject in the existing FTAs. It rues the fact that its tariff concessions have not been reciprocated by similar concessions for professionals, particularly in the FTA with ASEAN.

For several past FTAs with the region, geo-strategic compulsions prevailed on India's trade negotiators to concede and compromise on demands. But RCEP negotiations are proving to be different till now.

The political drivers of 'Act East' haven't been successful in softening India's tough stand. Indeed, notwithstanding harmonious external relations, RCEP exposes the deep rift between India and Southeast Asia on trade that, while always perceived, was never so conspicuous.

The rift symbolises the divergence between India and most of the Asia-Pacific region on trade issues. Trade liberalisation, for most of the region is confined to negotiating 'at the border' market access by chopping tariffs. For India, however, trade liberalisation extends to deeper 'beyond the border' access for its skilled people. This is a gap that foreign policy imperatives can hardly hope to bridge.

Source: financialexpress.com- Apr 06, 2017

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Investors ride on new-age logistics players

Several new-age logistics players such as Black Buck and Rivigo, Delhivery have raised close to $300 million in the past six months even as e-commerce firms have struggled to raise fresh money.

Black Buck, logistics marketplace by Bengaluru-based Zinka Logistics Solutions, raised $70 million from Sands Capital and IFC in March, after raising $25 million from Tiger Global, Accel and Flipkart in December.

In March, private equity (PE) firm Carlyle pumped $100 million into logistics firm Delhivery, while PE firm Warburg Pincus invested $75 million in Delhi-based logistics firm Rivigo Services in November. Logistics firms have raised a $3 billion since 2007.

Why are investors bullish on logistics firms?

Rajesh Yabaji, co-founder, BlackBuck, says logistics players continue to be one of the largest unorganised industries for the country and, hence, the opportunities to add value are immense.

“The industry is very communication-intensive and infusion of technology in such a sector is the best way to disrupt businesses. The new-age players are trying to solve inefficiencies of this industry, using technology. This is only the start of investments into this sector, the best is yet to come," he says.

Disruption of any industry by technology, says Yabaji, has yielded good returns for investors. “The key characteristics of the industry are more or less the same throughout the world. The success in one country can be replicated in different parts of the world, which offers a great opportunity to monetise the transformation.”

“While logistics has traditionally been a low-tech, high-asset-intensive industry, we have seen the emergence of new-age logistics players that use technology to provide transportation solutions to businesses in the past five years,” Neeraj Bharadwaj, managing director, Carlyle Asia Partners, told Business Standard in an interview last week.

Most of the investments in the past six months have been in newer-age logistics companies, which have been able to address a specific gap in the market (high-speed cargo delivery services, e-commerce delivery, and cold chain). Logistics grows at a multiple of GDP growth, say investors. The growth is driven by multiple supply and demand side factors.

On the supply side, improving public transportation — airports, roads, ports — and storage infrastructure is expected to drive growth. Demand side factors, including increasing consumption, change in consumption patterns to newer products and services (e.g meat products requiring the use of cold chain), implementation of GST and growth in manufacturing, are expected to drive growth.

Logistics in India is a large industry that is projected to generate revenue of $200 billion by 2020 according to estimate, with a few sub-sectors, express logistics, cold chain, warehousing, growing faster and attracting more capital, said Bharadwaj.

'Apart from the huge demand from e-commerce and other sectors, investors are betting big on implementation of GST. It is expected to lead to re-configuration of warehousing and distribution networks through intelligent consolidation, and will result in faster turnaround times. It is going to be a great opportunity for logistics players to increase scale," said Nishith Rastogi, co-founder & CEO, Locus.sh, which offers routing solutions to improve last-mile deliveries.

Investors say tech enabled logistics players are uniquely placed to scale rapidly, in a large industry that is highly fragmented with very little technology penetration.

These businesses are building platforms that will change the logistics backbone for online and offline businesses.

Source: business-standard.com- Apr 06, 2017

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Essar plans Rs 10,000 crore port in Gujarat

Essar Ports Ltd, a leading port operator in the country with a current capacity of 140 million tonnes per annum (mtpa), is planning to build a Rs 10,000 crore greenfield commercial port in Gujarat's Dwarka, a senior company official said.

Besides, with its modernisation project at its Vishakhapatnam port likely to be completed by September, the company also expects 50 per cent growth in cargo from the port.

Rajiv Agarwal, CEO and managing director of Essar Ports Ltd confirmed that the company has signed a memorandum of understanding (MoU) with Gujarat Maritime Board (GMB) which administers and regulates the 41 state-owned non-major ports of Gujarat during the Vibrant Gujarat Summit in January this year.

"We have signed an MoU during the Vibrant Summit in this regard. Work on a detailed project report (DPR) is on. We are now working on approvals for the project, which might take some time," Agarwal told Business Standard. Investment of over Rs 10,000 crore is planned for the project which is estimated to employ around 1,000 people.

This would be Essar's first commercial port in India, as it currently operates ports which are largely for captive cargo. It currently operates five ports in the country in Hazira (Gujarat), Paradip (Odisha), Visakhapatnam (Andhra Pradesh), Salaya (Gujarat) and Vadinar (Gujarat).

In fact, Essar's port terminals recorded a 25 percent growth in cargo traffic in FY 2016-17. The consolidated cargo handling across the company's five operational ports rose to 72.86 million tonnes in FY 2016-17, compared to 58.27 million tonnes in the previous fiscal.

What is significant to note here is that third-party traffic grew by 60 per cent. Agarwal said that third party cargo is expected to go further up during FY18.

He added that with the modernisation work at Vishakhapatnam estimated to get over by September, the company expects to achieve a 50 per cent growth in cargo traffic there.

"The present terminal is 25-year old. Post modernisation, Vishakhapatnam would be able to handle 7,500 tonnes per hour cargo (around 100,000 tonnes per day) and also handle 180,000 tonner capesize vehicle. From a 8 million tonne last fiscal, by conservative estimates, we expect it to handle around 12 million tonnes in FY18," Agarwal elaborated.

Meanwhile, during FY17, Essar's dry bulk cargo growth has been strong, registering a 52 per cent growth at 30.39 million tonnes (mt) as compared to 19.97 million tonnes in FY16. The anchor customer of Essar Ports' dry bulk terminals in Hazira, Paradip and Visakhapatnam is Essar Steel.

Agarwal said that with steel production in the country going up, the dry bulk cargo at the ports (mainly iron ore) has grown significantly.

The company is in the process to expand the 30 mt Hazira Bulk Terminal to 50 mt and also the 16 mt Vishakhapatnam terminal (which handles iron ore and pellets for Essar Steel NMDC and other major steel players) is being expanded to 32 mt. On the liquid cargo front, Essar's Vadinar terminal recorded a growth of 11 per cent and recorded a throughput of 42.47 mt in FY17.

Cargo Handling (in million tonnes)						
	Q4 FY17	Q4 FY16	Growth	FY 2016-17	FY 2015-16	Growth
Dry & Unit cargo	7.51	6.70	12%	30.39	19.97	52%
Liquid cargo	10.62	10.56	1%	42.47	38.30	11%
Ports (consolidated)	18.13	17.26	5%	72.86	58.27	25%
Source: Essar Ports Ltd						

As such Essar's 140 mtpa capacity is being expanded to 194 mtpa over the next few years.

Source: business-standard.com- Apr 06, 2017

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India among top potential markets for H&M, plans to open stores in smaller towns

India is among the top potential markets for Swedish fashion company Hennes & Mauritz, which plans to open stores in smaller towns as growth continues in the country.

"In terms of potential, it (India) is definitely in the top three markets, with more than a billion people living and the country growing," H&M Group CEO Karl-Johan Persson said.

The Swedish retailer has 14 stores in Indian cities including Mumbai, New Delhi and Chennai and is scheduled to open one in Hyderabad. The company, which plans to invest 100 million in India in the first five years, opened its store in Mohali, near Chandigarh. It hasn't set a time frame for entering smaller cities in India.

"If we continue to do well, we will enter smaller cities in India like we have done in other countries," Persson said.

The company's India sales increased more than three-fold in rupee terms in the first quarter ended February 28, according to a statement on its website. H&M opened its first store in India in October 2015 and turned profitable in its first year of operations. The India unit posted sales of `194 crore during the year ended March 2016 and a net profit of Rs.1.4 crore.

Comparatively, larger Spanish fastfashion rival Zara, which started in India in 2010, had a turnover of Rs.149 crore during its first year of operations and a profit of Rs. 22.5 crore.

The Sweden's largest fashion retailer introduced its aggressive global pricing strategy in India since its entry, prompting incumbent local leader Zara to slash prices by 10-15 per cent, according to sources.

India's apparel market is projected to grow to $200 billion by 2025, according to a study by consulting firm Wazir Advisors.

The country has become a lucrative destination for international brands, many of which have posted double-digit growth in revenue.

With consumers moving toward marquee labels and international style as they become affordable and priced at par with premium Indian brands, more overseas apparel companies are set to enter the market.

H&M has set a target of using 100 per cent recycled or other sustainably sourced material by 2030 and to become climate positive by 2040, according to the group's sustainability report for 2016.

The company has about 4,400 stores in 65 markets and plans a net addition of 430 outlets in 2017.

Source: economictimes.com - Apr 06, 2017

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Stories in weaves

The Crafts Council of India's Sarees & Accessories show throws the spotlight on crafts that have stood the test of time

You've always wanted to take in the treasure trove called Indian handlooms under one roof. And, interact with the people who made it possible — weavers, printers, designers and revivalists. Here's your chance to live that dream. The Crafts Council of India, headquartered in the city, holds Sarees & Accessories, a show that traverses the silk and cotton route to bring offerings from noted sari weaving centres. Think weaves from Benaras, Uppada, Maheshwari, Kanchipuram, Chanderi, Kota and Kutch.

Vintage creations

Designer and revivalist Ghanshyam Sarode brings his minimalist Paithani saris. He's also reintroduced the jamdani technique in Uppada saris. Mughal motifs come to life in Jaipur-based Shilpi's take on Sanganer block prints. Palash showcases a wealth of Bomkai ikats and art curator Himanshu Verma's Red Earth celebrates Paithanis, Kotas, ikats and contemporary designer saris.

Says Radha Parthasarathy, Crafts Council of India executive committee member, who was part of the team that curated the show:

“When we began, the idea was to introduce people to various printing and dyeing techniques, besides weaves. Over the years, people have learnt to identify the unique traits of each weave.”

Check these out

This time around, the group has brought together newcomers, who bring with them a fresh interpretation of age-old crafts, and those well-known in the craft world, who are backed by years of experience, during which they have honed their skills.

Ifyou’re fond of natural dyed dupattas, saris, kurtas and accessories, visit the stall put up by Aavaran. Among the participating brands are Ekaya, Soham Dave and Palash. There’s also Shah Narayan Das’ zari and silk handwoven Benarasis in antique and revived motifs; Shohel Abdul Satar Khatri’s bandhni saris; and Soham Dave’s natural indigo dye saris and outfits. Marm brings a range of delicate Chanderi saris in the colours of the rainbow, as well as salwar suits and dupattas. Also, take a look at Mura Collective’s shibori saris in Maheshwari, cottons and tussar.

What the show promises, over two days, is to allow visitors a chance to better appreciate wearable art.

After all, it’s something that has come from afar, something with a tradition dating back decades if not centuries, and something that involves a human hand — an artistic one at that.

Source: thehindu.com - Apr 06, 2017

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Cropping patterns: King Cotton to make comeback in Punjab as White Fly threat recedes

Farmers in the state likely to increase area under the fibre crop because of higher prices and better control of the pest that wrecked havoc in 2015.

Two year ago, when the deadly White Fly insect pest struck, it left not only Punjab's cotton growers, but also its ginning industry, devastated. Out of the 275 ginning units then — there were 422 in 2006-07 — all but 59 shut up shop.

As farmers lost confidence in growing the crop after suffering heavy yield losses, cotton acreage in the state plunged from 4.36 lakh hectares (lh) in 2015-16 to 2.56 lh in the last season. The drop was even more, when seen against the 6.14 lh area in 2006-07 at the height of the 'Bt revolution'.

But that mood of despair seems to be giving way to guarded optimism in the new kharif season. Many farmers in Punjab's cotton belt — covering the southern districts of Firozpur, Faridkot, Fazilka, Muktsar, Bathinda, Barnala, Mansa and Sangrur — are planning to sow the fibre crop again after harvesting of wheat towards mid-April. While the state's agriculture department expects the sown area to increase to 4 lh, even ginners and traders are confident about it crossing 3.5 lh.

The change of mood has had mainly to do with prices. Prices of kapas (raw un-ginned cotton) averaged Rs 6,000-6,200 per quintal in 2016-17, compared with Rs 3,800-4,200 in the previous year.

But more striking was yields: Many farmers harvested yields of 11-12 quintals per acre, compared to the state's normal average of 7-8 quintals.

In fact, Punjab's cotton production (in terms of lint fibre) actually rose from 7.50 lakh bales (of 170 kg each) in 2015-16 to 9.5 lakh bales in 2016-17, despite a sharp fall in area.

Prices and yields apart, awareness about White Fly control measures appears to have also played a part in the return of confidence among farmers in cotton.

In 2015-16, nearly a third of the 4.36 lh area sown under the crop was seen to have faced total devastation due to the pest, which sucks the sap from the phloem tissues that carry nutrients from the leaves to other plant parts. Even in the remaining two-thirds area, yield losses were placed at roughly 25 per cent.

“When White Fly attacked my 6.5 acres under cotton in 2015, I had to plough half of the crop back into the field, as it was 100 per cent damaged. Yields from the remaining crop, too, could not even cover my production costs. I pledged never to grow this crop again,” says Ravi Kant from Nihar Khera village in Khuian Sarwar tehsil of Fazilka district.

This same farmer, however, intends to cultivate cotton on seven out of his 20-acre land in the coming season. He attributes this to the awareness campaign by experts from the Punjab Agricultural University and the agricultural departments of both Punjab and Haryana: “They taught us that there should be no wild vegetation around cotton fields. We were also told to monitor nearby kinnow plantations and vegetable fields, especially of baingan (brinjal), kaddoo (pumpkin) and palak (spinach), which harbour the pest.

Sukhjeevan Singh from Ghaso Khana village of Bathinda’s Talwandi Sabo tehsil is another farmer, whose four-acre cotton crop was completely destroyed in 2015. He reduced the cotton area in his 18-acre holding to only 1.5 acres last year. But the 18 quintals kapas yield that he got from the 1.5 acres has led to his decision to grow cotton again on four acres this time.

Rajwinder Singh from Bhai Bakhtaur in Maur tehsil of Bathinda estimates that 70 per cent of farmers in his village, which has about 2,000 acres of agricultural land, will return to cotton this year.

They had all opted for paddy cultivation last year after the severe White Fly attack infestation of 2015. “Our area is better suited for cotton. We went to paddy out of sheer desperation and it was hardly remunerative,” he points out.

According to Sukhdev Singh Sidhu, joint director of Punjab’s agriculture department, there has been concerted effort over the last one year to deploy “cotton scouts” to survey villages and keep regular vigilance on the pest.

“This year, we have launched a weed eradication programme in the eight cotton belt districts. The idea is to root out any host plants on which the white flies flourish. The district collectors themselves are taking monthly reviews,” he adds.

All this is also good news for Punjab’s ginning industry, which used to employ 40,000 people a decade ago. That number has since dropped to 5,000-6,000.

Suresh Kumar Gupta, the owner of Punjab Spintex Limited, a Bathinda-based textile company and who also runs a ginning factory, says that he used to previously procure 60 per cent of his kapas requirement locally.

But in the post-White Fly attack period, that proportion has fallen to 20 per cent.

“I am now sourcing lint for my spinning (yarn-making) unit from Gujarat and Maharashtra, which costs me Rs 4 per kg more. But I have no option because there is not enough kapas, due to which my ginning factory’s lint production has declined from 15,000 kg to 5,000 kg daily,” he adds. That situation should improve at least a little this year.

Source: indianexpress.com - Apr 06, 2017

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