

**IBTEX No. 132 of 2017**

**June 28, 2017**

USD 64.55 | EUR 73.31 | GBP 82.66 | JPY 0.57

<b>Cotton Market</b>		
<b>Spot Price ( Ex. Gin), 28.50-29 mm</b>		
<b>Rs./Bale</b>	<b>Rs./Candy</b>	<b>USD Cent/lb</b>
20007	41850	<b>82.63</b>
<b>Domestic Futures Price (Ex. Gin), July</b>		
<b>Rs./Bale</b>	<b>Rs./Candy</b>	<b>USD Cent/lb</b>
19870	41563	<b>82.07</b>
<b>International Futures Price</b>		
NY ICE USD Cents/lb ( Dec 2017)		68.97
ZCE Cotton: Yuan/MT ( Sept 2017)		15,625
ZCE Cotton: USD Cents/lb		<b>85.86</b>
<b>Cotlook A Index - Physical</b>		<b>83</b>
<b>Cotton &amp; currency guide:</b>		
<p>ICE COTTON MARKET: The July Open Interest has come to almost ZERO position. Needless to discuss but short squeeze has pushed price higher to 74.44 cents. The effect was partly seen on the most active December future which also rebounded a tad to close the Tuesday's trading session at 67.71 up by 50 cents. However, the same counter is seen trading down at 67.53. The underlying aspects continue to be bearish which is likely to keep the contract under stress. We hold a bearish outlook on cotton for today as well as in the near term.</p> <p>The limited rise is seen lucrative to take fresh short position in the market. Looking at the chart behavior we believe 68 would be an initial resistance which market may find tough to crack down. On the lower side we see 67 as immediate support and the momentum may break the same to pull the price</p>		

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lower towards 66 cents in the near term. So broadly December is expected to trade in the range of 68 to 67 cents on today's trading session. For detailed report write to us in the below mentioned email IDs.

Indian rupee trades little changed near 64.55 levels against the US dollar. Weighing on rupee is weakness in global equity markets amid uncertainty about Trump's policy actions and signs of monetary tightening by major central banks.

Also weighing on currency is continuing slide in bond yields which reduces attractiveness for rupee denominated assets. However, supporting rupee is sharp decline in US dollar amid mixed economic data and comments from Fed officials. Rupee may trade in a range of 64.4-64.7 but bias may remain weak due to choppy equity markets.

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

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## INTERNATIONAL NEWS

### China textiles mills under sustainability drive save millions

The Green Textile City Initiative, under IFC's China Water Programme, provided sector-level capacity building and technical training for over 100 textile mills in the three textile cities, while half of the trained mills implemented resource efficiency projects on their own.

IFC, a member of the World Bank Group, and the Natural Resources Defense Council (NRDC) recently presented results of their joint Green Textile City Initiative which was launched with leading global apparel retailers and fashion brands in 2013 with the aim of scaling up sustainability efforts in large textile clusters in Shaoxing and Guangzhou. The initiative was expanded to Suzhou in 2015.

A group of Chinese textiles mills last year made millions of dollars' worth of savings by implementing simple measures aimed at driving sustainability. In the Greater Suzhou Area, 23 textile mills implemented 138 factory projects, saving US\$8.4 million in water, energy, and chemical operating costs. The projects had an average payback of just 17 months and collectively saved 4 million cubic metres of water and 30,000 tons of coal (or its energy equivalent).

The latest results from the Suzhou program further demonstrate that the Clean by Design best practices can drive significant environmental improvement and cost savings for apparel and textile supply chains, said Kurt Kipka, NRDC senior project manager.

This joint initiative with NRDC is a good example of how they can leverage partnerships and expertise of multiple stakeholders to scale up resource efficiency in manufacturing supply chains, said Navneet Chadha, IFC resource efficiency lead for East Asia and Pacific. A sustainable textile industry will benefit the private sector while supporting a better environment in China.

Source: yarnsandfibers.com- June 27, 2017

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## US: NCTO CEO testifies at USTR NAFTA hearing

National Council of Textile Organizations (NCTO) chief executive officer (CEO) Auggie Tantillo gave testimony at the US Trade Representative's (USTR) hearing on Negotiating Objectives Regarding Modernisation of North American Free Trade Agreement (NAFTA) with Canada & Mexico. NCTO is a US based trade association representing domestic textile manufacturers.

"We strongly support president Trump's intention to reopen NAFTA and agree that it can be updated and improved to significantly enhance US textile production, exports, and employment. The NAFTA region enjoys vibrant fibre, yarn, and fabric sectors in addition to cut and sew capabilities. As a result, NCTO supports building on the successes of NAFTA through seeking reasonable improvements to the agreement, but not a cancellation thereof, due to the high level of supply chain integration that exists today," said Tantillo.

This partnership is evidenced by robust trade flows. The US textile sector has a demonstrated capability of developing export markets within the NAFTA region. "In fact, Mexico and Canada are our two largest export markets, where US textile and apparel exports topped \$11 billion in 2016. Furthermore, we maintain a positive trade balance in the sector with our NAFTA partners, achieving a \$3.5 billion surplus last year," added Tantillo.

"It is our view that there has been a systematic de-emphasis of commercial fraud enforcement at US Customs and Border Protection (CBP) over the past 30 years. CBP suffers from both lack of resources and focus particularly considering the layering of new trade agreements and significant increase in imports over this time. As a result, the benefits of NAFTA are being siphoned off by those willing and able to circumvent US trade laws. Our sector is especially prone to fraud, noting that textiles and apparel represent 40 per cent of all US duties collected, or \$14 billion a year. Clearly, improving NAFTA customs enforcement should be a major focus of this renegotiation," he added.

Source: fibre2fashion.com- June 27, 2017

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## **Spain: Barcelona's Unitin develops recycled Indigo yarns**

Unitin, a trademark of Industrias Morera SA and a leading textile company from Barcelona, Spain, specialised in the dye and finishing on piece and yarn, has announced that the company has set up a new implementation to use all its Indigo cotton leftovers to make recycled yarn. This step is taken in accordance with social and environmental responsibility.

Unitin has always been concerned to work with the most advanced standards towards both social as well as environmental responsibility, and is now taking one more step toward a zero waste policy.

Producing indigo warps and wefts in a continuous and modern machinery generates a certain quantity of leftovers. Approximately 3 per cent to 5 per cent of total production is not usable and has to be rejected. In order to assure that the yarn will have the right strength to be used in any textile application (either knits or woven), the Indigo cotton leftovers are mixed with recycled polyester fibres.

As a first step, Unitin introduces count Ne 7/1 Pes/Cot 50/50 in 2 shades, dark and light. Twisted yarns are also being offered. As this production is made of Unitin leftovers, only a limited stock will be available for customers. Unitin also offers a few sets of sustainable fabrics made with the new recycled yarns with sustainable Tencel yarns.

The use of the already indigo-dyed cotton eliminates the need to dye the yarn, saving water and energy. The final garment wash also demands less water and chemicals. All production is certified under the Global Recycled Standard.

Source: [bbc.com](http://bbc.com)- June 26, 2017

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## **Euratex Says Uncontrolled Brexit Would Have a Grave Impact on the Textile Sector**

The European Apparel & Textile Confederation is urging a “smart and smooth” BREXIT that would enable the highly integrated supply chains of the U.K. and 27 European countries “to keep on working smoothly from fibers to end products.”

In a position paper, Euratex said, “An uncontrolled separation of the U.K. from the EU would have a very serious impact on the industries of both sides...given comparably high import tariffs that would apply in the textile and clothing sector. The avoidance of legal uncertainty is of high priority for economic operators, requiring an early arrangement on the legal relationship between both contracting parties in the medium term.”

Euratex said a transitional arrangement should cover suspension of customs duties and all legal and regulatory areas with relevance for the textile and clothing industry, and should directly lead to a comprehensive trade and investment agreement in the long run.

“A future comprehensive EU27-U.K. trade and investment agreement should consider the already existing close economic relationship between the European textile and clothing industries,” the paper noted.

On Monday, a spokesman for the so-called “Article 50” negotiations between the European Commission and the U.K., noted that at the first meeting last week, both parties agreed to create working groups on citizens’ issues, the financial settlement and other separation issues.

Source: [sourcingjournalonline.com](http://sourcingjournalonline.com)- June 27, 2017

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## **ITMA 2019 reports strong demand for exhibition space**

ITMA 2019, the world's largest textile and garment technology exhibition, has received strong response since online applications opened in May, with some 25% of the exhibition space booked by more than 300 exhibitors during the first six weeks, according to ITMA Services, the organiser of ITMA 2019.

Mr A.E. Roberts, Managing Director of ITMA Services, attributed the strong demand to the success of ITMA 2015 and the rapid technological developments within the textile and garment industry. “We are delighted with this excellent response. The total space booked to-date is an impressive 150% increase when compared with the same period of ITMA 2015's application launch,” he said.

“ITMA has an excellent reputation and many global industry players are looking forward to using it as a launch pad for their new innovations. Among the sectors that have enjoyed the greatest take-up so far are finishing, printing, spinning, weaving and knitting, and we are particularly pleased with the strong response from Asian countries, particularly India which has already surpassed 60% of the total space it booked in the 2015 show. It is also encouraging to see that manufacturers of raw materials and garment machinery are also applying early, and our exhibitors clearly appreciate the fact that ITMA is a complete, end-to-end solutions showcase, from fibre to finished textile products.”

### **Exciting new technologies**

Mr Fritz P. Mayer, President of CEMATEX, the European Committee of Textile Machinery Manufacturers, which owns the ITMA exhibition, explained: “There is an enormous amount of research and development in the textile and garment industry, resulting in exciting new technologies and value-added products.”

“Some of the powerful innovation drivers impacting the industry include digitisation of products, processes and supply chains, as well as sustainability. Hence, despite the challenging business climate, the demand for leading-edge products continues to grow, and technology providers are still leveraging on ITMA 2019 to launch their new solutions to global textile and garment manufacturers and brands.”



## Last ITMA exhibition

The last ITMA exhibition, held in Milan in 2015, drew the participation of 1,691 exhibitors from 46 countries. A post-show exhibitor survey found that over 90% of them rated their overall experience 'good' or 'excellent', and 93% indicated their interest to return to exhibit at the next ITMA, and that there is a strong competitive advantage exhibiting at ITMA compared with other shows.

ITMA 2019 will be held from 20-26 June 2019 at Fira de Barcelona, Gran Via venue. Featuring the theme *Innovating the World of Textiles*, it will have exhibits showcasing an integrated textile and garment manufacturing value chain. Divided into 19 chapters, exhibits also include yarns, fibres and fabrics, and solutions for technical textiles and nonwovens, and garment making.

Source: [innovationintextiles.com](http://innovationintextiles.com)- June 27, 2017

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## NATIONAL NEWS

### **Textiles 2017 will boost Make in India: Smriti Irani**

Textiles 2017, billed as India's first mega trade event in the sector with 15,000 participants from all over the world, will be inaugurated by PM Narendra Modi in Gandhinagar on 30 June. It is aimed at significantly uplifting India's textile industry, which employs more than 45 million people directly, contributes to 10% of manufacturing production, 2% of India's GDP and 13% of the country's export earnings. Union minister of textiles, Smriti Irani, spoke to Shefalee Vasudev about the opportunities for creating jobs in the sector, plans for making India a global textile hub and the challenges

With the PM's opening address and with state chief ministers and cabinet ministers speaking, won't Textiles 2017 get drowned under political rhetoric?

Not at all. Last year, the Prime Minister announced a special package of Rs 6,000 crores with the aim of creating one crore 11 lakh jobs in the next three years. This sector has tremendous job generation potential. What better way than the PM of a country opening this event to convey the importance given to the textile industry? Besides, chief ministers of the three partner states -Andhra Pradesh, Assam and Maharashtra -are keen on textile development and tapping investor and manufacturer connects. To promote India as the top global destination for textiles, linkages with ministries of commerce, skilling and urban development are only logical.

So will Textiles 2017 become a part of the Make in India initiative?

Absolutely. Not physically by hosting it at the same venue but in linkage, collaborative synergies and promotion, this has all the facets of Make in India. It ropes in weavers, designers, manufacturers, buyers, exporters, suppliers from handloom to technical textiles and organic produce to man-made fibres, even educational institutes and live demos from national awardee craftspeople all under one roof. Twentysix round tables will be hosted by the industry and not just big names. The programme has attracted Japanese exhibitors, Korean and Chinese buyers as well as enquiries from the Fashion Institute of Technology, New York. There is

one round table only with female entrepreneurs--a first of its kind industry attempt.

National awardee weavers keep getting mentioned but nothing has been done to facilitate weavers with their own signature brands. How will this event change things for the weavers themselves?

That depends on how a particular weaver or weaver group uses this trade event. There are 40 lakh-odd weavers in India, once they register under the India Handloom Brand, they get an IHB tag, which is hallmark of quality, with details of their background, contacts and creations in a completely transparent exchange. That will give them a signature and enhance their visibility for interested manufacturers.

Yet both the fashion shows planned at Textiles 2017 showcase designers. Doesn't that tilt the importance towards fashion rather than weavers?

Assuming that this event is tilted towards fashion is being unfair to the entire industry which sweeps from home textiles to medical fabrics; from technical textiles used by the Indian Army for parachuting gear to other performance fabrics. One of the biggest participants at this event is the Swedish home textiles giant Hemtex. So being overawed by or partial to fashion it is not the goal here.

### **You might also like**

Indian textiles are synonymous with the handmade and handloom. How will this event promote technical textiles with equal emphasis on creative business value?

Please understand that whoever is interested in craft gets that but that doesn't sum up the story. Facilitation, opportunity and exposure will be equal for all kinds of products and fabrics. Every manufacturer or investor will find whatever interests them from India's holistic textile value chain.

Which among the Indian states do you currently see with most potential to break into the global textiles market?

The idea is to create opportunities. We are keen to exhibit the extraordinary potential of textiles from the North Eastern states, especially Assam but, states like Andhra Pradesh and Maharashtra are also on the top. These are closely followed by Karnataka, Jharkhand and Telangana. We have left our doors open for everyone to leverage the opportunity. But let it be said that artisans from all over the country will be present here.

Source:timesofindia.com- June 28, 2017

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### **Surat cloth traders refuse to board GST bus**

SURAT: Nobody wants the goods and services tax in the country's largest man-made fabric (MMF) wholesale market. The roughly 70,000 textile traders in Goodluck Textile Market here have refused to register for GST, and the Rs 35,000-crore MMF sector has come to a standstill with strikes, protests and public meetings over the past week.

“Until now, there was no tax, nor did we register for excise or VAT; why is the government burdening us with GST knowing that most traders are illiterate and can't use a computer?” said Hitesh Sanklecha, a 38-year-old textile trader, who is fasting outside his shop against the GST order. “Not 5%, even 1% GST will ruin small traders,” he added.

Traders said GST-compliance will hit their profits. “I don't know how to operate a computer. I will have to keep a data-entry operator and an accountant,” said Rajnish Lillah, a textile trader in Yash Market. “Post-GST, my operating cost will go up by Rs 3 lakh.”

Surat has around 170 big and small textile markets comprising more than 75,000 shops with a daily aggregate turnover of Rs 115 crore. They deal in polyester saris, dress material, home-furnishing fabrics and plain fabrics. Tarachand Kasat, convener of textile GST Sangharsh Samiti, said, “We want the government to keep GST till the yarn level. Most of the traders are illiterate and computer illiterate. GST will only mess up things and result in huge job losses in the industry.”

The city's 7.5 lakh powerloom weavers have kept away from the traders' strike but they are unhappy about being placed in the 18% GST slab. They

have asked for the 12% slab; benefit of input tax credit (ITC), and exemption for weaving job-work. They also want anti-dumping duty on Chinese fabrics. About 70% of weaving units operate on job-work and the master weavers have decided to stop the supply of raw material from July 1.

Ashish Gujarati, president of Pandesara Weavers Cooperative Society Limited (PWCSL), said the traders' strike could hurt employment in the textile value chain that involves about 14.5 lakh workers. "Textile workers will flee to their hometowns and there will be huge losses to the industry," he said.

Source: [economictimes.indiatimes.com](http://economictimes.indiatimes.com)- June 28, 2017

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### **AEPC & NSDL to help exporters with GST compliances**

Apparel Export Promotion Council (AEPC) and National Securities Depository Limited (NSDL) have joined hands to provide end to end handholding on Goods and Services Tax (GST) compliances related to online filing of returns. Under the arrangement, AEPC will provide training and GSTN aligned platform for online filing of returns and other related GST services.

A help desk has also been established to answer the queries of exporters on the functionalities related to GST.

NSDL e-Governance Infrastructure Limited (NSDL e-Governance) has been closely working with the Government of India as well as various state governments for providing and implementing e- Governance solutions across India. NSDL is among the 34 GST Suvidha Provider (GSP) appointed by GSTN to facilitate tax payers to comply under GST.

NSDL would be providing the complete GSTN compliance right from providing of interface to upload/download APIs in the format prescribed by GSTN to conversion of data to the required formats as desired by GSTN through their GSP as well as Application Serviced Provider (ASP) for facilitating GST compliance. The services will be provided to AEPC members at concessional rate, under this arrangement.

"GST is a major tax reform in indirect taxes which is due for implementation from July 1, 2017. After organising GST orientation programmes at nine apparel clusters for exporters, AEPC have entered into a partnership with NSDL, which is a GSTN approved GST Suvidha Provider (GSP), to enable a smooth transition into the new tax regime. I would like to thank NSDL for offering such solution based approach for apparel exporters. The help desk which has been set up as a part of this initiative will derive from the expertise of NSDL e-Governance Infrastructure for facilitating GST compliance," said Ashok G Rajani, chairman, AEPC.

For technical queries related to GST specially online registration, filing of returns, claiming of refunds, validation of funds and other GST compliances, AEPC has set up a help desk at various regions across India through its regional offices which will be providing support to the exporters in regional languages also. AEPC has also come out with a FAQ booklet for apparel exporters.

Source: fibre2fashion.com- June 27, 2017

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## **Govt defers tax deduction at source provision under GST**

E-commerce players in India will not be required to deduct tax on payments made to their vendors when the Goods and Services Tax (GST) is implemented on July 1, said the ministry of finance. Small businesses who sell goods through e-commerce sites will also not be liable to register till the provision of tax collection at source is brought under force.

The provision of tax deduction at source and tax collection at source has been deferred for now with the objective of ensuring smooth rollout of GST and taking into account the feedback received from the trade and industry regarding the provisions. The new date for its implementation will be revealed later, said the ministry in a statement.

It has also been decided that persons who will be liable to deduct or collect tax at source will be required to take registration, but the liability to deduct or collect tax will arise from the date the respective sections are brought in force.

The decision to defer the provision has been taken by the ministry to provide more time for persons liable to deduct tax at source/e-commerce companies and their suppliers to prepare for the historic tax reform.

Source: fibre2fashion.com- June 27, 2017

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## **Textile traders shut down business for three days**

Opposing the implementation of GST on textiles, the textile traders across India have shut down their business for 3 days beginning from Tuesday. The traders have also threatened to go on indefinite strike from July 1, 2017 if their demands are not met at the Council meeting this week. The government has decided to roll out GST from June 30 midnight.

The pan India bandh call has been given by the Textile GST Sangharshan Samithi. The traders are likely to observe June 30 as black day if their demands are not met, according to media reports.

"Demonetisation has already shown worst impact on the textile business. The GST would be another bolt from the blue," said Andhra Pradesh Textile Federation.

More than 50,000 textile traders in Ahmedabad and around 60,000 shops and powerlooms weavers have joined the strike. Apart from Surat and Ahmedabad, textile traders in Jetpur, Junagadh, Rajkot, Bhavnagar and Surendranagar have also observed bandh.

The call for bandh was taken at the gathering held in Delhi last week. Textile traders from across the country had participated in the meeting. According to the textile associations, weavers and cloth traders have never paid taxes in the history of Indian textile industry. Implementation of GST will largely affect the organised and unorganised traders associated with the textiles.

Source: fibre2fashion.com- June 27, 2017

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## India probing dumping of polyester yarn by China

Indian government is probing anti-dumping allegations against a select Chinese polyester yarn following complaints from SRF and Reliance Industries. The Directorate General of Anti-dumping and Allied Duties (DGAD), has "sufficient" evidence of dumping of high tenacity polyester yarn from the neighbouring nation, according to an agency report.

SRF and Reliance Industries have alleged dumping of the yarn and asked for an investigation into the matter. If established that dumping has caused material injury to domestic players, the DGAD will recommend imposition of anti-dumping duty. Anti-dumping duties are levied to provide a level playing field to local industry by guarding against cheap, below-cost imports, the report said.

The probing authority "hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry", the DGAD, under the commerce ministry, said in a notification.

The investigation will cover the period from April 2016 to March 2017. These yarns are used for manufacture of tyre cord fabric, seat belt webbing, slings, ropes, coated fabric and conveyor belt fabric, according to the report.

Increasing imports and dumping of goods from China have always been a concern for Indian companies. Exports to China were only USD 9 billion in 2015-16, but imports totalled USD 61.7 billion in the fiscal.

The DGAD is also probing dumping of several other products such as chemicals from China.

India is one of the most attractive markets for global producers due to its large middle class population. Imposition of anti-dumping duty is permissible under the Geneva-based World Trade Organisation (WTO) regime, of which both India and China are members.

Source: fibre2fashion.com- June 28, 2017

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## CMAI to host 822 exhibitors at 65th National Garment Fair



The Clothing Manufacturers Association of India (CMAI) will host over 800 exhibitors at the 65th National Garment Fair, India's largest apparel trade show. More than 1000 fashion brands will keep on display their latest festive range of clothing at the three day programme. The textile fair

beginning from July 10, 2017 will be held in Mumbai.

"This B2B fair will be spread over approx. 6 lakh square feet, covering all the halls at the Bombay Exhibition Centre. This will be India's largest ever garment fair held so far. Approximately 50,000 retailers from all over India are expected to visit this three day B2B Fair," said Rahul Mehta, president CMAI.

The textile fair will also host various sessions including business networking. The programme will host talks on various topics including agents & distributors, high street retailers and national chain stores & e-commerce companies.

The fair will be inaugurated by the minister of textiles Smriti Irani. The national fair will be organised in association with Bhumiworld Industrial Park, the fastest developing integrated industrial hub in Bhiwandi.

Source: [fibre2fashion.com](http://fibre2fashion.com)- June 28, 2017

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## **GST to impact apparel prices, traders protest in Telangana**

Some 40,000 textile traders in Telangana are protesting against GST as they feel, with GST tax on textile sector will be at four –levels. Manufacturer to all-India wholesaler, all-India wholesaler to state wholesaler, state wholesaler to retailer and finally retailer to consumer. Each of the three stages, will have to make a provision for GST. All this would ultimately fall on the consumer.

The textile sector has a large number of people who may not know how to operate computers or as only 11 per cent shops in the country have computers. Educating traders will be a mammoth task. Meanwhile India's small, non-integrated manmade fabric manufacturers also feel threatened by GST.

Under GST, manmade fiber yarn will be taxed at 18 per cent while its end product, fabric, will be taxed at five per cent. Tax differential leaves integrated textile firms which produce yarn and use it to make fabric at an advantage over those which buy yarn to make fabric. Also, cotton made yarn and fabric will attract five per cent duty.

This imbalance is expected to hit small textile companies which buy manmade yarn to weave fabric. In addition, since imported fabric will attract 15 per cent effective duty, cheaper Chinese goods may also pose a serious threat.

Source: fashionunited.in- June 27, 2017

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## **Cloth merchants protest against GST rate**

Jaipur, Jun 27 (PTI) Cloth merchants observed state-wide bandh today in Rajasthan to protest against imposition of 5 per cent sales tax on textiles under the upcoming GST regime. "The strike will continue till June 30 and future course of action will be decided after GST Council meeting, which is scheduled on June 30," Federation of Rajasthan Trade and Industry President Suresh Agarwal told PTI. "The bandh was successful in Rajasthan against the Centre's decision to levy 5 per cent GST on textile. Due to the bandh, the business was affected," Om Prakash Taneja, president of the Cloth and Saree Traders Association said.

"We oppose the government's move. Textiles should be exempted from GST," he said.

Meanwhile, state Congress Chief Sachin Pilot blamed the Centre for implementing GST from July 1 with incomplete preparations, saying it will create trouble for common man and businessmen.

Pilot said that the Congress always favoured GST implementation but it should be ensured that infrastructural requirements are met so that people do not face problems.

Bringing common household items including clothes and food items under high tax rate has disappointed people, which will affect the market sentiments, he said.

He accused the BJP government of imposing demonetisation decision on common man and said that high GST tax slab on common use items will break the back bone of poor and middle class families. Marble traders of the state have also called state-wide indefinite shutdown from July 1 to protest against 28 per cent GST on the item.

"Proposed GST tax slab on marble will adversely affect business. If the government fails to change GST slab, traders will go on indefinite strike," the president of Udaipur Marble Association, Tejinder Singh, said.

Source:indiatoday.intoday.in- June 27, 2017

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## **Textile traders' 72-hr bandh opposing GST levy begins**

As a 72-hour bandh called by textile traders against Goods and Services Tax (GST) levy on fabrics began on Tuesday, the hustle bustle at the wholesale textile hub at Tobacco Bazaar in Secunderabad was missing.

The only sign of activity in the narrow streets dotted on either sides by commercial establishments of different dimensions dealing in textiles was a meeting condemning the introduction of the levy.

These and many others across the twin cities will remain shut till Thursday, declared Telangana State Federation of Textile Associations President Ammanabolu Prakash. He estimating the number of people employed by 500 shops in Tobacco Bazaar at about 2,000.

### **Exempted category**

Textile traders across the State, he said, were supporting the nationwide bandh as fabrics at present came under the exempted category.

The 5% GST that it would attract would complicate matters for those in the trade, he said, pointing to the compliance hassles as well as the need for more working capital.

For the end consumer, the price of textiles is likely to go up by 8-10%, the textile association president added.

### **Compliance issues**

On apprehensions of the trade, that mainly deals in suiting, shirting fabrics, dress materials, as well as sarees, Mr. Prakash said complying with the requirements is not going to be easy for the traders considering the lack of familiarity with computers.

The traders operate on thin margins, he claimed, adding much of the business is credit oriented. In this backdrop, GST compliance would be challenging and add to their cost, the association president added.

The traders have not registered under GST in protest, he added.

Source: thehindu.com- June 27, 2017

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## **Indian company debuts Cotton for technical textiles**

A company based in South India has developed mechanically processed cotton varieties suitable for use in absorbent technical textiles products.

Globally, nonwovens sector is in the lookout for new fibers that are sustainable. To fulfill this need, South India based Jayalakshmi Enterprises has released two different types of processed cotton that can be used in nonwoven manufacturing processes such as needlepunching and hydroentangling to develop absorbent and other specialized technical textiles products.

Jayalakshmi Group has been in cotton textiles business for over five decades. Recently, they have diversified to develop cotton based high-tech products such as oil sorbents.

“We are in the phase of diversification and so developing cotton products that can fulfill the needs of the growing nonwovens and technical textiles sector is natural growth process for us,” stated Mr. S. Velmurugan, the general manager of Aruppukottai based Jayalakshmi Enterprises. They have so far developed two types of cotton. One variety has soft silky touch and is the high-end variety from Jayalakshmi Enterprises.

Jayalakshmi Group has an annual turnover of about Rupees 150 crores and is into developing specialized cotton yarns and allied cotton products.

Chennai-based Wellgro Tech trading group will be marketing the cottons for nonwovens and technical textile sectors.

“As we are into marketing adult diapers and incontinence products, collaborating with Jayalakshmi Group is a good growth strategy for us,” stated Venkatakrishnan, Founder/President of Wellgro Tech. Wellgro Tech will be looking towards domestic nonwovens wipe manufacturers and international players as its potential customers, said Nambi Srinivasan, marketing in-charge at Wellgro Tech.

Indian companies need to develop their nonwovens sector right from fibers to fully finished products that can be available at retail outlets. Such endeavors by conventional textile groups such as Jayalakshmi Group are much needed to advance the technical textiles sector in India.

Source: commodityonline.com- June 27, 2017

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