

IBTEX No. 257 of 2016

Dec 21, 2016

USD 67.87 | EUR 70.57 | GBP 84.14 | JPY 0.58

Cotton Market Update		
Spot Price (Ex. Gin), 28.50-29 mm		
Rs./Bale	Rs./Candy	USD Cent/lb
18358	38400	72.09
Domestic Futures Price (Ex. Gin), December		
Rs./Bale	Rs./Candy	USD Cent/lb
18980	39702	74.54
International Futures Price		
NY ICE USD Cents/lb (March 2017)		69.77
ZCE Yuan/MT (January 2017)		14,995
ZCE Cotton: USD Cents/lb		83.25
Cotlook A Index - Physical		78.4
<p>Cotton & currency guide: Cotton price traded down for three trading sessions both at domestic and global markets. Shankar-6 variety cotton price have declined by Rs. 350 per candy to be traded at Rs. 38800 per candy ex-gin. At the prevailing exchange rate the value is approximately 72.90 cents/lb. Nationwide; daily seed cotton arrivals are estimated to have risen to more than 170,000 lint equivalent bales (170 kgs), including over 60,000 from Maharashtra and 40,000 from Gujarat. Cumulative new crop arrivals are thought to be approaching 7.4 million bales.</p> <p>At the global front, the most active March 17 contract ended lower at 69.34 cents. There was no clear direction for the most active contract and by the end of the day, the spot month traded at the bottom of its range, reaching a new low for the day and ending the session at 69.34 cents/lb down by 23 cents its lowest settlement since November 14. ICE estimated volume at 19,800 contracts, lower than previous day's 38,100. With the recent downturn in ICE cotton futures, enquiry for US cotton has increased. The US dollar traded higher all day while grains were lower at the time cotton settled. Total open interest decreased by 5,143 contracts to 247,375. March '17 interest decreased by 6,337 contracts to 169,968 while May '17 interest increased by 556 contracts to 41,959. Certificated stocks were last reported at 74,077 bales.</p> <p>This morning cotton at ICE is trading steady and the Chinese cotton is hovering around 14920 Yuan/MT. We believe market may remain under pressure. Overall for the day we expect cotton price to trade down and move in the range of Rs. 18600 to Rs. 19000 per bale for most active January future at MCX.</p> <p>Currency Guide: Indian rupee appreciated by 0.15% to trade at 67.945 against the US dollar. Rupee trades higher amid some correction in the US dollar index after recent rise to 14-year high. Also, supporting price is firmness in equity market. However, weighing on price is Fed's interest rate hike and concerns about Indian economy post demonetization move. Rupee may trade in a range of 67.8-68.1 but gains are limited.</p>		
<p>Compiled By Kotak Commodities Research Desk , contact us : research@kotakcommodities.com, Source: Reuters, MCX, Market source</p>		

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INTERNATIONAL NEWS

USA: Oklahoma cotton is back after struggling dry years

Cotton County, Oklahoma , USA after years of struggling through dry conditions, the cotton fluffy white stuff has returned in force with 2016 production up by 51 percent than production during the last year, according to a new report from the U.S. Department of Agriculture

The total haul came out to well over half a million bales. The number is an estimate based on production through November.

Oklahoma Cotton Council executive director Harvey Schroeder said that the state's cotton crop has been the beneficiary of auspicious rains and a warm September.

Cotton in Oklahoma typically brings in about \$90 million of state revenue. The Sooner State produces two percent of America's cotton.

Cotton hit a record low back in 2011, when the state's total land devoted to the crop only amounted to 70,000 acres.

Most of Oklahoma's cotton is grown in the southwestern part of the state, although cotton can be grown as far north as Kay County, bordering Kansas. It has played a significant role in the state's agricultural history and continues to be one of Oklahoma's most valuable crops.

Oklahoma cotton council play an important role to serves its cotton industry to promote and protect the interest of the Oklahoma cotton industry.

Source: yarnsandfibers.com– Dec 20, 2016

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Pakistan: Short supply of quality cotton kept market firm and steady

With buyers taking to the sidelines and preferring to indulge in short-covering to meet their immediate demand, The market behaviour was firm and steady on Monday, but activity declined considerably due to short supply of quality cotton. However, brokers believed that ginners have started holding back their stocks in order to get better price.

According to floor brokers, spinner looked disappointed due to shortage of quality cotton as they are still in need of substantial quantity of cotton. The activity declined owing to short supply of quality cotton as the third and final picking was currently under way.

They added that in a meeting last week held between the Department of Plant Protection (DPP) and the All Pakistan Textile Mills Association, permission was granted to import cotton from India.

Besides, the DPP has also allowed the release of held Indian cotton at the Karachi Port after being assured by importers that they would destroy and burn the seed cotton, if any, from the consignments.

According to the Karachi Brokers' Association, contracts for import of around 50,000 cotton bales from India were placed on the first day after getting permission by spinners and many more are in the pipeline.

Major deals that changed hands on the ready counter were: 970 bales from Sinjoro (done at Rs6,000), 1,400 bales Rohri (Rs6,300), 1,600 bales Saleh Pat (Rs6,300), 1,000 bales Dharki (Rs6,500 to Rs6,600), 1,200 bales Mianwali (Rs6,000 to Rs6,400), 600 bales Layyah (Rs6,335), 800 bales Faqirwali (Rs6,400), 400 bales Sadiqabad (Rs6,550), 600 bales Rahimyar Khan (Rs6,550), 1,400 bales Nasilpur (Rs6,575) and 1,600 bales Khanpur (Rs6,500 to Rs6,600).

Source: yarnsandfibers.com– Dec 20, 2016

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Pakistan asked to find 'pockets of excellence'

ISLAMABAD: To boost apparel exports, Pakistan needs to find its 'pockets of excellence' and identify segments that have the best potential to perform, says an economist of the World Bank Institute, a capacity development branch of the bank.

“Building relations and winning the trust of buyers is equally important. To achieve this, buyers must be assured that the country has strong mechanisms in place to address issues that may hamper sustained supply of items that are being imported,” Ravindra A Yatawara, Senior Economist in the Growth and Competitiveness Programme of the World Bank Institute, said.

He was speaking at a seminar titled “Policies to boost competitiveness: The case of apparel sector” at the Sustainable Development Policy Institute (SDPI) on Tuesday. Yatawara, during his lead presentation, cited case studies of Bangladesh, Sri Lanka and Turkey and illustrated the usefulness of investments for firms and nations trying to create jobs and capture higher margins along the rapidly evolving global apparel value chain.

Earlier, SDPI Deputy Executive Director Dr Vaqar Ahmed pointed out that competitiveness of the apparel sector had been hurt by the high cost of doing business including high import tariffs, energy and security costs.

“Pakistan’s limited participation in global value chains could be attributed to weak trade facilitation and lack of coordination among the Ministry of Commerce, Federal Board of Revenue and provincial revenue authorities,” he said.

Ahmed noted that small and medium-sized exporters in the apparel sector had not been able to access credit facilities on time and the current exchange rate regime also strengthened the anti-export bias, already seen in the tariff structure and de facto industrial policies.

He called for conducting an independent evaluation to see why Pakistan’s utilisation of the EU’s Generalised Scheme of Preferences (GSP) Plus and other trade agreements had not been optimal.

Ministry of Finance Industrial Policy Adviser Umer Khalid defended the government, saying it was offering facilitation and support to the textile industry including the apparel sector.

Source: The Express Tribune– Dec 21, 2016

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TWD Fibres to show bright variety of textiles at Heimtextil

At Heimtextil 2017, the fair for home and contract textiles be held January 10-13, 2017, TWD Fibres will be showing a bright variety of textiles made from its fibres in hall 3.0, booth D40 under the theme ‘TWD Fibres Inside’. The company will be showing classic woven upholstery fabric products made from various varieties of its Diolen polyester yarn.

Among its several products, TWD Fibres will display Diolen Hypoallergenic, which are antimony-free polyester yarns for protection against allergies for sensitive persons, which are also free of heavy metals.

Another is Diolen Safe, its flame retardant alternative with a Cradle-to-Cradle certification. These can be used in home textile, for office and commercial property and in transportation business.

The company also offers customised solutions out of Diolen, for automotive suppliers, which are solution dyed as per specification. This service is offered for Diolen Recircle, which is recycled polyester, Diolen Safe, which is inherent flame retardant polyester and lastly Diolen Flex also called PolyButelenTerephtalat.

Source: fibre2fashion.com– Dec 20, 2016

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Swedish company develops new methods for producing synthetic fibers

The Swedish company “We are SpinDye” has developed a new method that could revolutionize the manufacturing of synthetic fibers, and thereby of pants, jackets and backpacks. The new method involves no high use of

water and heavy use of chemicals which was part of the dyeing process, it is resource-efficient, sustainable, colorfast, and no bleaching out.

The Swedish company dyes synthetic fibers is completely different than any other textile company to date, as they are focused on sustainability and environmental protection. Above all, the immense use of water is significantly reduced by the innovative procedure.

The idea of We are SpinDye is really quite simple: First recycled plastic is melted down, then the desired dye pigment is added to the undyed material. After that, yarn is produced from it in the desired strength. The clients and manufacturers can further process this yarn as usual.

CEO Martin Berling of We are SpinDye said that their company is built on the principle of the least possible damage to the environment. They require hardly any water, produce practically any garbage, and the use of chemicals is reduced to a minimum.

That stands in stark contrast to the conventional dyeing process: 100 to 150 liters of water are required to dye a kilogram of textiles. Due to insufficient restrictions in countries like China or Bangladesh, the toxic water from the dyeing reaches rivers, lakes, and into the groundwater.

According to Greenpeace, two thirds of all rivers and lakes in China are classified as polluted.

We are SpinDye is offering its technology for all synthetic materials, such as polyester or nylon, but also for rayon. A combination of synthetic fibers and unbleached wool can be used. There are no limits for manufacturers in further processing: The fabrics can, for example, be coated or equipped with a membrane.

Of course, Sweden's We are SpinDye isn't the only company that's developed a water-free dyeing technology. For example, Nike and Adidas likewise have procedures with ColorDry or DryDye that don't require water for the dyeing process – for years now, at that.

But according to CEO Berling, in contrast to these technologies, they don't need any big machines for their procedure because they already add the dye during the manufacture of the yarn.

However, another aspect is nearly even more important to Berling: they want to digitalize dyeing. In the future, manufacturers can choose the final product dye from a digital dye scale. Since the synthetic fibers are already dyed during their production, their colorfastness is guaranteed. The protracted process of color comparison no longer applies. The colorfastness is also preserved, even under extreme UV radiation. The company currently offers around 2,000 colors.

The Company want to present to a large expert audience for the first time at ISPO MUNICH 2017 as there are lots of driving power at ISPO MUNICH and also they think that the sports and outdoor industries have a bigger environmental engagement and are more interested in technical innovations.

Source: yarnsandfibers.com– Dec 20, 2016

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Textile sector has potential to boost Zambia's growth'

The textile and leather sectors of Zambia have the potential to boost the country's growth and contribute towards wealth creation, according to the Zambia government. However, Zambian minister of commerce trade and industry Margaret Mwanakatwe is of the opinion that more contribution is needed to accelerate manufacturing in these two industries.

On the last day of the 2016 Leather and Textile Expo held in Lusaka, the capital of Zambia, Mwanakatwe said that this expo can help accelerate the progress of these sectors in the country.

The expo was a platform for the textile and leather sectors to form collaborations and partnerships and will help these industries become market leaders on regional as well as international levels, said a leading Zambian daily quoting Mwanaktwe.

The minister also said that the support given to the expo proves that the Zambian government and other partners value the country's textile industry.

The theme of the 2016 expo held in Lusaka was ‘Enhancing Competiveness of Leather and Textile sectors through value addition’.

Source: fibre2fashion.com– Dec 20, 2016

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Karl Mayer attracts huge number of visitors at India ITME

Karl Mayer, Germany’s leading textile machinery company, received positive feedback and managed to attract a huge number of visitors at the recently held India ITME 2016, a leading international textile machinery exhibition, held at the Bombay Convention and Exhibition Centre, NSE Complex, Goregaon, in Mumbai, from December 3 to 11, 2016.

There was a great deal of interest in warp knitting among large companies operating outside the sector. Specific projects were also discussed with some representatives of leading conglomerates.

The tricot machines on show were sold at the fair itself. For producing warp knits, Karl Mayer was showcasing the fourth generation of the high-speed HKS 3-M, with its modern design, and the HKS 4-M EL machine, which is as versatile as it is productive. The four-bar, high-speed tricot machine was demonstrating the advantages of its EL control facility.

In addition to the production possibilities offered by the machines on show at the fair, equipping them with the LEO system as standard was the subject of many conversations. LEO is a well-thought-out technology for saving energy and costs. There were also many enquiries regarding the production of stretch raised fabrics, warp-knitted terry goods and velour.

For those visitors who were focusing on progress and innovation, a wide range of multibar lace featuring new bourdon cord designs and a variety of looks produced by block multi guides were available. Lace fabrics, either as stand-alone fabrics or else made-up into stylish outfits, invited people to come and touch them, develop new ideas and ask questions. The presentation of the new LACE.EXPRESS machine series proved to be a real magnet for the public.

Karl Mayer's Warp Preparation Business Unit also got good feedback on the machines it was showcasing. The PROSIZE was also the subject of many discussions. The key feature of this sizing machine for processing staple-fibre yarns, the Size Box, generated a great deal of interest owing to its exceptional productivity.

The new ISOMATIC machine also attracted a great deal of attention. This new, performance-optimised, short-warp warping machine for standard applications was developed especially for the Indian market, and the visitors were impressed by its excellent cost:benefit ratio.

Karl Mayer rounded off the presentation of its machines and products by showcasing its 360° technical support service. By utilising the latest components of online communication, this comprehensive service concept provides even more user benefits and machine efficiencies than ever before. The digital innovations mainly include the Karl Mayer CONNECT app and the Karl Mayer SPARE PARTS WEBSHOP. Demonstration versions of both systems were being tested live at the show.

Many Indian companies have also registered for the Karl Mayer SPARE PARTS WEBSHOP. The intuitive handling features and possibilities offered by this online platform for buying the required spare parts easily have impressed both the market and the trade visitors.

Source: fibre2fashion.com– Dec 20, 2016

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NATIONAL NEWS

Irani presents excellence awards to apparel exporters

The Union Textiles Minister, Smriti Zubin Irani presented the AEPC Export Awards, 2015-2016 at Hotel Taj Palace, in the national capital on Monday. Irani encouraged AEPC and garment exporters to be a partner in the Government's efforts towards job creation through value driven manufacturing and exports.

Speaking on the occasion the Minister said, "We will do our utmost within our constitutional framework to strengthen the industry. In the wake of demonetization, the Textiles Ministry has helped open 5 lakh bank accounts for associated workers in the industry in a period of three weeks. We are also ensuring that the workers are trained to digitally use their bank accounts."

Irani further said that to further promote exports, there should be an award for the best player in emerging market in the next award season. Industry should also head towards sustainable garments from an international perspective; and should look for innovation either in marketing or technology.

Speaking on the occasion Ashok G Rajani, Chairman AEPC, said that AEPC Export awards extend across diverse categories and include both experienced and start-up representations. The awards have been instituted with the aim to encourage Indian Apparel exporters to increase their export capacities and enhance competitiveness amongst firms to capture the global markets. We have an ambitious target for export and job creation in the next three years - I call upon the winners to be mentors to the start ups and SMEs in this sector and together strengthen the entrepreneurship ecosystem."

India's garment exports had been facing problem of stagnation since last year, due to depressed market conditions in the major markets like USA and EU. However, since the announcement of the Rs 6000 cr Special Package in June 2016, there has been some optimism in the industry, and exports have picked up. Garment sector alone accounted for more than 47% share in all textile goods exports from India to world. India exported worth of USD 10.96 billion garments to world during the April-Nov 2016. In the

last fiscal India's garment exports were to the tune of USD 16.9 billion.

The Minister of State of Textiles, Ajay Tamta and Chairman AEPC, Ashok G Rajani along with the other executive members and government officials from various ministries were also present at the event to showcase commitment towards strengthening India's apparel export industry.

Source: smetimes.in- Dec 20, 2016

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Smriti Irani stresses on unigender perception of silk wear

Union Textiles Minister Smriti Irani today said the perception that silk is only for women should be changed to silk is for unigender to expand the use of silk.

Union Textiles Minister Smriti Irani today said the perception that silk is only for women should be changed to silk is for unigender to expand the use of silk."I think the notion of silk is only for women is a very narrow approach in marketing because if you want the expansion of use of silk, then we have to look at diversification of products. I seek to change this notion to silk is for unigender."

"I do not want any disservice done to men who want to use silk," she said at the launch of its second Centre of Excellence at the Central Silk Board headquarters here. Irani said in terms of diversification, the scientists and marketing team needs to sit together and push the newer avenues.

Announcing the launch of Kannada version of mobile app E-Dhaga by January 15, Irani said she aims to digitise the process of raw silk as was done by way of e-dhaga, a mobile app, for the benefit of the most deprived sections of the society."We have launched a mobile app called e-dhaga for weavers across the country. It has currently been launched in English, Hindi and Telugu. Soon it will be launched by January 15 in Kannada, Assamese, Bengali and Urdu," she said.

"My goal is that we do a similar digitisation process for the entire raw material available for the silk sector for the benefit of those who are the most deprived and need the most amount of help," she added. Irani also hoped that the Board conducts outreach programmes for cocoon producers

and give them financial support on behalf the central government in possible conjunction with the state.

“I am hopeful that we do an outreach programme for those who are producing cocoons and give them some support in terms of financial and banking on behalf of Government of India possibly in conjunction with the state,” she said.

“They should be given financial help so that the cocoon growers are also told and taught – how to reel it through automative process and produce clusters of those farmers who want to become bigger producers of silk by eradicating middlemen,” she said.

Irani said the outreach programmes should reach areas where there is a possibility of increasing production of silk.”I am hopeful that in areas like Jharkhand and Bihar and most of other tribal areas, we can do a special outreach programme so that more and more women benefit from this silk board initiative,” she said.

Source: financialexpress.com- Dec 20, 2016

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80,000 banks accounts of textile workers opened in 24 days

SURAT: About 80,000 new accounts of the workers employed in textile, embroidery and other small sectors have been opened in the last 24 days following the efforts by the Employee Provident Fund Organisation (EPFO), textile associations and the banks since November 26.

Sources in the EPFO said that following demonitisation programme, people have been facing money crisis. The workers employed in decentralized textile sector have been getting their wages in cash. However, to end the cash system, the Central Government had asked the textile associations, EPFO and the banks to open the accounts of the workers.

The EPFO in joint cooperation with the industrial associations and banks visited each and every industrial area in the city to open the accounts of the

workers. Starting from November 26 to December 18, around 80,000 accounts were opened in the banks.

"We are also setting up camps in the industrial estates and areas across the city to provide door-step service to the workers wanting to open their bank accounts. The workers have to comply with the rules and regulations of the banks in opening the accounts. The unit owners have to ensure to pay wages through the bank accounts only" said assistant commissioner of PF, Umesh Kumar.

Source: timesofindia.indiatimes.com- Dec 20, 2016

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Textile mill body to train 50,000 fresh workers during 2017

Coimbatore, Dec 20 (PTI) Indian Textpreneurs Federation (ITF), an apex body of textiles mills in the region, has signed an MOU with National Skill Development Council (NSDC), to train 50,000 fresh workers in 15 job roles during 2017. As per the MoU, ITF member mills will train the fresh workers from January 2017 to December 2017 and will provide employment opportunities to 90 per cent of them in the mill campus itself. By this, Tamil Nadu textile manufacturing sector will create a robust eco system of training with proper and uniform systems across the industry in terms of work methodology, which will also help the industry in long run to improve competitiveness of textile sector to strengthen the theme of Make In India, ITF Secretary Prabhu Dhamodharan said today. The MoU was signed during a Skill India event held yesterday in Kanpur, between ITF team comprising himself, S Ramasamy and Manoj Kumar and NSDC Managing Director and CEO, Manish Kumar in the presence of Prime Minister Narendra Modi, Prabhu said. In the Prime Minister Kaushal Vikas Yojana (PMKVY) pilot phase, ITF member mills have trained 17,500 freshers in 15 job roles in various textile manufacturing value chain and employed 80 per cent of the workers after certification process. Advantage of this scheme is uniform work procedures and training modules followed by across India for a specific job role, with Skill Development ministry supporting the initiative by way of reimbursement of training cost to the training providers, he said.

Already, 83 mills from ITF have applied for training provider status and created an infrastructure for training in this PMKVY version II scheme and another 52 mills will join from next month, he said.

The whole scheme is designed in a professional manner and every process from training to certification is monitored and supported by Textile Sector Skill Council, Prabhu said

Source: indiatoday.in- Dec 20, 2016

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Demonetisation still tough on Indian textile industry but hope in sight

More than a month after demonetisation was announced in India on November 8 in an effort to tackle black money, corruption and terrorism and the gradual move to a cashless economy, the situation is still far from ideal and prime minister Narendra Modi's goal of having normalcy restored after 50 days seems doubtful. However, there is hope for the textile and apparel sector.

Though the queues at banks are somewhat shorter, many are still left without cash or stranded with 2000-rupee-notes that few vendors have change for. All sectors have been affected, the textile and apparel industry being no exception. In some parts of India, former bustling cities have become ghost towns because of the cash crisis, for example the traditional textile town of Bhiwandi not far from Mumbai, once the country's power loom capital, now deserted.

Especially seasonal and temporary workers have been affected as they rarely have bank accounts and thus get paid in cash. As reported earlier, 10,000 Indian textile workers have already been let go. However, that is all set to change with the textile ministry promoting cashless payments within the industry and especially encouraging textile workers, artisans and weavers to open bank accounts. According to The Economic Times, more than 500,000 workers have already opened bank accounts in the last 10

days, among them 220,000 weavers and 275,000 workers from the jute industry, many of them from textile hubs like Tirupur, Bhiwandi and Surat.

Indian textile and apparel industry employs almost 120 million people

However, though this is the right step in the long term, short-term survival will be tough as the opening of a bank account, which took anywhere from 2 weeks to 2 months prior to demonetisation, could take a lot longer now, given that bank employees already have their hands full with simple transactions like withdrawals and deposits. In 2015-16, the Indian textile and apparel sector employed 51 million people directly and 68 million indirectly; the power loom sector alone employs almost 6.5 million people.

Hope is in sight though, with the government making an effort to address the textile industry directly and urging textile associations to promote cashless transactions. The textile ministry has already set up over 900 camps across the country for opening bank accounts and urging textile units to support this effort by prioritising going cashless by using unified payment interfaces (UPIs) and having workers open bank accounts. According to textile commissioner Kavita Gupta, the ministry's goal is to have bank accounts for all textiles workers in India within the next three months.

In addition, the Confederation of All India Traders (CAIT) has urged Modi to declare 2017 a 'Less Cash Year' to motivate traders to adopt digital payment systems at both B2C and B2B levels. To do its own bit in this effort, CAIT is planning a national 60-day campaign starting from January 1, 2017, which will include conferences on digital payments in various states for trade association leaders as well as camps, Less Cash marches, street plays, seminars and workshops in markets across India and outdoor publicity campaigns, short videos and WhatsApp clippings on the benefits of digital payments.

Source: yarnsandfibers.com - Dec 19, 2016

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Govt reduces tax for small traders going digital

In order to incentivise small traders and businesses to proactively accept payments through digital means, the government has decided to reduce the existing rate of deemed profit under section 44AD of the Income Tax Act. This is applicable only for those payments that are accepted through banking channel or digital means for the financial year 2016-17.

Under the existing provisions of section 44AD of the Income-tax Act, 1961 (the Act), in case of certain assesses (i.e. an individual, HUF or a partnership firm other than LLP) carrying on any business (other than transportation, agency, brokerage and commission) and having a turnover of Rs 2 crore or less, the profit is deemed to be 8 per cent of the total turnover.

“In order to achieve the government’s mission of moving towards a less cash economy and to incentivise small traders and businesses to proactively accept payments by digital means, it has been decided to reduce the existing rate of deemed profit of 8 per cent under section 44AD of the Act to 6 per cent in respect of the amount of total turnover or gross receipts received through banking channel and digital means for the financial year 2016-17,” the Central Board of Direct Taxes (CBDT) said in a statement.

“However, the existing rate of deemed profit of 8 per cent referred to in section 44AD of the Act, shall continue to apply in respect of total turnover or gross receipts received in cash,” the CBDT statement added. “Legislative amendment in this regard shall be carried out through the Finance Bill, 2017.”

Explaining this important change, finance minister Aun Jaitley said, “All small traders, businessmen and workshop owners whose total turnover is less than Rs 2 crore a year may not maintain any books of account and their income was presumed to be 8 per cent of turnover. Now this order has been amended. And to the extent that they deal digitally or through cheques and banking transactions the presumptive income will not be 8 per cent but will be 6 per cent.”

“Therefore the object of this order is that those who deal in digital or through a banking transaction mode their income will be presumed to be 2

per cent less, that is 6 per cent, and accordingly this will constitute a major tax relief to be given to them,” he said.

Source: fibre2fashion.com – Dec 20, 2016

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CSB to launch its second centre of excellence for sericulture in Bengaluru

The Central Silk Board (CSB) to launch its second Centre of Excellence for sericulture in Bengaluru tomorrow to boost the silk industry which has been stagnating for some time. This will provide a fillip to Karnataka’s status as the premier sericulture hub of India. The first centre was set up at Ranchi in Jharkhand.

CSB Chairman K M Hanumantharayappa said that the Centre would be launched by Union Textiles Minister Smriti Irani. She would also be launching the Automatic Reeling Machine at the CSB premises.

At present, the country is producing nearly 4,000 tonnes of 4A grade of silk, equivalent to the top grade of silk imported from China. To meet the growing demand the country imports nearly 4,000 metric tonnes of high quality raw silk from China. Moreover in the last fiscal the total raw silk production also witnessed a marginal fall at 28,523 mt.

With the establishment of indigenous automatic reeling machines, the Board will be able to attain self-sufficiency and bring silk import to zero level by 2020.

The commercial model of indigenous automatic silk reeling machine has 160 to 200 ends per machine suitable for medium scale filatures. The machinery package of 200 ends capacity can produce about 20 MT of silk per year utilizing cocoons produced by around 200 farmers.

Built by CSTRI vendors in Coimbatore, the machine costs Rs 65 lakh, and the Board would offer 50 percent subsidy to Reelers who install such machines.

Under the "Make in India" initiative, CSB had been supporting installation of ARM units by private entrepreneurs to promote production of import-substitute bivoltine silk.

Source: yarnsandfibers.com– Dec 20, 2016

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