

**IBTEX No. 89 of 2017**

**May 04, 2017**

USD 64.19 | EUR 69.95 | GBP 82.61 | JPY 0.57

<b>Cotton Market (02.05.2017)</b>		
<b>Spot Price ( Ex. Gin), 28.50-29 mm</b>		
<b>Rs./Bale</b>	<b>Rs./Candy</b>	<b>USD Cent/lb</b>
19840	41500	<b>82.52</b>
<b>Domestic Futures Price (Ex. Gin), May</b>		
<b>Rs./Bale</b>	<b>Rs./Candy</b>	<b>USD Cent/lb</b>
20630	43153	<b>85.80</b>
<b>International Futures Price</b>		
NY ICE USD Cents/lb ( May 2017)		79.32
ZCE Cotton: Yuan/MT ( July 2017)		16,105
ZCE Cotton: USD Cents/lb		<b>85.62</b>
<b>Cotlook A Index - Physical</b>		<b>88.65</b>
<b>Cotton guide:</b>		
<p>Cotton is trading within a strong confined range of 78 to 80 cents for the past 12 consecutive trading sessions while failing to break the resistance levels of 80 cents per lb. On Wednesday the ICE July ended the session lower at 78.77 cents down by 57 points from the previous close. Market is perhaps waiting for fresh trigger to move either direction. As we understand in one side market is holding with hefty speculative long positions, higher unfixed on call sales keeping the underlying submit to trade higher. On the other side higher price has waned export demand of the premium quality of US cotton fiber. We could cite it with the last week's export sale figure which dropped sharply by almost 50% to 180K bales. We have the same export sales</p>		

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data releasing today from the US and believe any outstripped figure would shake the market.

This morning ICE cotton is seen trading at 78.92 cents up by 0.20% and believe during Asian and until mid-European session the counter may remain sideways while fresh move shall be determined based on the aforementioned data releases at 6:00 PM IST from the US.

From the Technical chart perspective we expect 79.75 continues to be a strong resistance level while on the lower side 78.38 would be the interim support for the day. Note on break below the given support would see price coming further down to 78 cents. For the day we expect the counter to remain under stress while volatility cannot be ruled out. The technical chart is mentioned below in the report.

From the technical perspective the trading range for the day would be Rs. 20850 to Rs. 20500 per bale for May contract and recommend selling from higher levels.

To know more on Cotton market and domestic market outlook the price trend of natural fiber access our daily report.

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**Source: Reuters, MCX, Market source**

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## INTERNATIONAL NEWS

### **Intertextile Pavilion Shenzhen to show quality fabric**

The 2017 Intertextile Pavilion Shenzhen is being held during July 6-8, 2017 at the Shenzhen Convention & Exhibition Center. The event will see several countries and regions featuring high-quality fabrics for ladieswear, casual wear, lingerie, swimwear and suiting, the latest knitting fabrics, accessories, lace and embroidery, and yarns and fibres.

The event in the South China region is being organised by Messe Frankfurt, the Sub-Council of Textile Industry, the China Textile Information Centre, and the Shenzhen Garment Industry Association. The Intertextile Pavilion Shenzhen 2017, the 17th China International Fashion Brand Fair and a fashion show are being held concurrently at the same venue.

There would be a Korea Pavilion, organised by Korea Fashion Textile Association (KFTA) and Daegu Gyeongbuk Textile Industry Association (DGIA), which will showcase a variety of knitted and man-made fabrics for ladieswear, as well as functional fabrics.

The Taiwan Pavilion, organised by Taiwan Textile Federation, will feature the latest collections of lace and embroidery and knitted fabrics while Fine Japan Zone, formed by leading Japanese companies, will highlight Japanese-quality cotton and man-made fabrics for ladieswear as well as casual wear with small order quantity.

Shengze Pavilion, representing the eastern silk market from Suzhou, China, will display an array of man-made and silk-like fabrics for ladieswear.

Besides exhibiting and sourcing, fairgoers will also have opportunities to learn next year's trends through the Spring/Summer 2018 Trend Forum and a series of seminars during the fair.

As part of Messe Frankfurt's renowned Intertextile brand, Intertextile Pavilion at the Shenzhen International Trade Fair for Apparel Fabrics and Accessories has a distinctive focus on the South China market, benefiting from this region's promising market conditions and providing huge opportunities for exhibitors at this year's fair.

Given its solid industrial bases and favourable geographic locations, the South China region is at the heart of China's garment industry, and its one of its two major cities, Shenzhen, has a reputation as the nation's garment and fashion capital. Currently, the city houses over 2,000 garment companies, 30,000 fashion designers and more than 1,000 fashion brands. In 2016, total sales of the Shenzhen garment industry exceed 200 billion RMB (around \$29 billion), accounting for over 60 per cent of the market share of shopping malls in China's first-tier cities .

According to Hong Kong Trade Development Council's "China Garment Industry" research, due to the growing spending power of both male and female consumers, these two markets are projected to continue their strong growth.

Source: fibre2fashion.com- May 03, 2017

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### **US-based seed provider engaged to regulate BT cotton**

The Punjab government has engaged a US-based seeds provider company in the second generation Bollgard II BT cotton regulatory while the Sindh government is indifferent on it as it has been waiting for the Punjab government decision to follow.

The Punjab government has started talks with the US-based seeds provider company after decline in cotton crop production by 4.6 million bales against the projected target in 2015 and 2016.

Muhammad Asim, regulatory leader of the US-based seeds provider company in Pakistan in a briefing told a group of journalists here on Tuesday that being a world leader in GM cotton regulatory, company was subsequently approached by the Punjab government for the introduction of its latest GM cotton technologies in Pakistan.

“The government and the US-based seeds provider is negotiating an arrangement that would be beneficial to the farmer and for long-term sustainable growth of the seed and cotton industries while a formal announcement would be made once the both parties will reach a final agreement”, he said.

He said the third and fourth generation technology could also be introduced but the financial business model would not be viable for both the company and the government. It is better to start with Bollgard II which latter developed to third and fourth generations of the technology.

He admitted that the area under cultivation in Punjab has shrunk besides the productivity has declined. Multiple factors are involved in this decline, including the low productivity of the crop and incentives and prices on other substitute crops. Thus the farmers have been switching over to other crops, he agreed.

Contrary to this, the climate situation in Sindh is different from Punjab while area under cotton crop cultivation was not declined as well, Asim said, adding the Sindh government usually follows the pattern of the Punjab government in agriculture policies. So once an agreement between the US-based seeds provider and the Punjab government is made then hopefully the Sindh government will also follow, he believed.

He said the Punjab government will provide the enabling environment through enforcement of existing laws/rules while the US-based seeds provider company will take meaningful steps and dedicate adequate resources to create R&D hub and ensure a viable and sustainable seed supply through a vibrant seed industry. This will include building the capacity of local seed companies (licensees) and is providing requisite technical stewardship, he said.

During the negotiations, the Punjab government stance is clear for a sustainable solution to this challenge lies in the development of a vibrant and competitive seed industry. The government intends to create an enabling environment for seed business and ensure its proper regulation. The collaboration with the US-based seeds provider will allow for the technology platform and the necessary stewardship for the local seed industry to maintain a sustainable supply of quality seed to the farmer.

Currently, all BT cotton grown in Pakistan is first generation Bollgard technology with substandard application and next to zero stewardship. In comparison, Bollgard II has double gene with dual mode of action, creating two separate defence lines against insect attacks and broadening the pest

control spectrum, whereas RRF is a second generation herbicide tolerance technology which helps to manage all types of weeds in a more sustainable way.

Furthermore, the existing BT seed in the market lacks quality, has low germination rate, weak gene expression and narrow spectrum for insect control, no solution for weed management and therefore does not deliver on the full potential of biotech augmentation of local seed varieties.

Asim said the arrangement with the US-based seeds provider is currently under discussion and an agreement has not been finalised yet. However, the prevailing regulatory regime in Pakistan required for various level of testing and evaluations which take a minimum two years to complete before consideration for commercial availability of the second generation BT cotton seed for farmer use.

In the event of an agreement, the US-based seeds provider has planned to licence its technology to qualified local seed companies. The proposed business and operating model entails the integration of the US-based seeds provider regulatory in local varieties. Therefore, the role of local licensees will be of paramount importance. The US-based seeds provider's role will include stewardship and capacity building of licensees, whereas partner companies will be involved in seed production, marketing and sales, he added.

Source: thenews.com.pk- May 03, 2017

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### **Pakistan: Trading activity remain slow at cotton market**

Trading activity at the Karachi Cotton Exchange on Tuesday remain slow, as better grades of lint remained in focus amid strong physical prices. Traders said that the volumes remained moderate as buyers made deals for better and second grade of lint to meet their domestic as well as international commitments of yarn and cloth.

Spot rates remained unchanged. The spot rates remained unchanged at Rs6,700/maund (37.324kg) and Rs7,180/40kg. Ex-Karachi rates also stood

firm at Rs6,835/maund and Rs7,325/40kg after an addition of Rs135 and Rs145 as upcountry expenses, respectively.

According to an analyst, the new crop would be available after three months with lots arriving from Sindh in July, while cotton arrivals from Punjab would be delayed because of the late sowing.

The government is trying to boost the cotton crop by discouraging other crops in cotton belts.

KCE witnessed only two transactions in between Rs6,400 and Rs7,000/maund. Kotri's 1,200 bales were sold at Rs6,400/maund and 600 bales of Khanpur exchanged hands at Rs7,000/maund.

In the domestic market around 200 bales of Rahimyar Khan changed hands at Rs 6,600 per maund, 200 bales of Multan at Rs 6,575 per maund, 200 bales of upper Sindh at Rs 6,300 per maund, 200 bales of southern Punjab at Rs 6,575 per maund and 200 bales of Sanghar at Rs 6,725 per maund.

Source: yarnsandfibers.com- May 03, 2017

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## **Egyptian famed cotton industry sees revival**

Egypt's cotton exports jumped by 63.9% during the first quarter of the planting season of 2016/2017, in the period from September to November cotton exports were 202,500 bales compared to 123,600 bales in the same period a year earlier, according to the state-run Central Agency for Public Mobilization and Statistics.

The country's farmers and exporters said that Egypt's famed cotton industry is starting to revive following a Central Bank decision to float the pound last November and a crackdown on false Egyptian cotton worldwide. Experts and farmers attribute the increase in the demand of cotton to record cotton prices in the marketing year 2016/2017 because of a devalued pound, which encouraged farmers to double the area planted with cotton, as well as a worldwide crackdown on fake cotton following a scandal of allegedly fake versions of the crop.



In August 2016, a US retail chain accused India's textile manufacturer Welspun of using cheaper, non-Egyptian cotton in bed sheets and pillowcases. The Indian manufacturer acknowledged the accusations, admitting that some of their products were falsely labeled as 100% Egyptian cotton.

Following this announcement, internationally, retailers have begun to more closely monitor their products labeled as 100% Egyptian cotton, many requiring manufacturers to provide attestation for products labeled as such. In an effort to crack down on these fraudulent practices and ensure quality, in 2016, the Cotton Egypt Association started licensing the use of the Egyptian cotton logo to suppliers and manufacturers all over the world. Carrying the logo means that the association certifies the authenticity of the Egyptian cotton through DNA analysis.

Wael Alma, the Cotton Egypt Association's managing director, said that the association has been receiving requests from many manufacturers to license their Egyptian cotton logo. This has increased the demand for Egyptian cotton in the world market and is expected to continue as more companies get licensed. The Cotton Egypt Association estimates that about 90% of global supplies of Egyptian cotton last year were fake.

In February, the Cotton Egypt Association signed an agreement with India's Welspun to promote and market Egyptian cotton products worldwide after assessing its supply chains. Under the agreement, the two organizations agreed to work together to create programs for the promotion of the Egyptian cotton logo in the retail markets across the globe.

The sheer nature of Egyptian cotton makes it a luxury to be cherished by all. Welspun wants the world to know about Egyptian cotton, and they want to help promote it among the consumers and the makers alike, said Dipali Goenka, the CEO and joint managing director of Welspun India Ltd.

Economist Ahmed el-Shami said that if Egypt's cotton industry returned to its previous glory, the economy would flourish, the spinning and textile industries would boom, and stalled factories would reopen. Egyptian cotton is an abandoned golden egg. If it is well-marketed across the world, it will inject billions of dollars into the state's coffers and revive an economy in dire need of hard currency.

The US Department of Agriculture (USDA) forecasted that Egypt's cotton area would double to 110,000 hectares and production would almost double and reach 340,000 bales in the marketing year (MY) 2017/2018, in a March report titled "Egypt: Cotton and Products Annual 2017."

Several factors contributed to the rebound in Egypt's cotton prices in MY 2016/17. These include a historical drop in cotton area and production, the floating of the Egyptian pound by which it weakened essentially 100% vis-a-vis the US dollar, and an increased demand for Egyptian cotton in international markets, the report stated.

In MY 2016/2017, farmers were able to sell their long staple varieties grown in the Delta between 2,700 Egyptian pounds (\$150) and 2,750 Egyptian pounds (\$153) per qintar, 116% higher than the indicative prices announced by the government of 1,250 Egyptian pounds (\$69) per qintar.

As for short- and medium-staple varieties grown in the Upper Egypt region, farmers sold their crop at 1,900 Egyptian pounds (\$105) per qintar, 73% higher than the government's indicative prices of 1,100 Egyptian pounds (\$61) per qintar.

The Egyptian government has taken measures to restore seed purity and cotton quality in the past two years. The move came as Egyptian cotton's reputation and quality had deteriorated significantly due to the seed companies' lack of effective quality assurance systems that resulted in inferior, mixed-variety output. This development has increased the demand and the prices for Egyptian cotton in the local and international markets and is expected to continue in MY 2017/2018, the USDA report stated.

According to an analysis released by the Central Arbitration and Testing General Organization on the physical fiber properties of Egyptian cotton varieties, the length, strength, firmness, color, trash count and maturity have all improved in cotton produced in MY 2016/2017 compared to cotton produced in MY 2015/2016.

Source: yarnsandfibers.com- May 03, 2017

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## **Australian fashion, textile bigwigs learn about cotton**

Leading figures from the Australian fashion and textile sector learnt first-hand about the raw materials that go into cotton garments and homewares in a tour of Narrabri's cotton industry which comprised visits to a farm, gin and research station. The event was organised by Cotton Australia with support from leading grower, ginner and marketer, Auscott.

The event incorporated a tour of Auscott's Narrabri farm and gin, where attendees saw cotton harvesting and processing in action, followed by presentations by world-leading cotton scientists at the Australian Cotton Research Institute (ACRI).

The day attracted some of the biggest names in fashion, including representatives from Jeanswest, Target Australia, H&M, IKEA, Hanes Brands Australasia, CottonON, Camilla and Marc, Country Road Group, Specialty Fashion Group (representing Rivers, Katies and more), CB Clothing, ABCH, the Australian Fashion Chamber, Baptist World Aid and Save the Children.

"The tour connected both ends of the cotton supply chain allowing brand owners, retailers and designers to meet and learn from the farmers who grow some of the world's highest quality, sustainable natural fibres," said Cotton Australia CEO, Adam Kay.

Attendees were able to stand in a cotton field to feel and touch the fibre for themselves, ride in a cotton harvester, talk directly to growers and industry, see cotton being ginned and hear from our excellent research scientists. The response from the enthusiastic participants was phenomenal - they came away with a much better knowledge of how our cotton is grown, harvested, processed, classed and shipped, and our industry's commitment to sustainable production with full traceability, Kay said.

"Importantly, they also understand that Australia is at the cutting edge of our social responsibilities in the workforce area, as well as how research and development underpins the improvements of the industry over three decades," he said.

According to Kay, some tour participants were surprised to learn of the industry's sustainability achievements, such as a reduction in insecticide

use of more than 90 per cent over the past 15 years, and a water efficiency increase of more than 40 per cent since 2003. "Global interest in sustainable, responsible cotton production continues to build, and so events like this play a vital role in informing important stakeholders about how our industry operates, and why they can place their trust in our growers and industry."

"Cotton Australia works hard to bring the story of Australian cotton to the world, and as more and more consumers demand environmentally sustainable and ethically produced fibres, Australia's cotton industry is well placed to meet that demand," he said.

Source: fibre2fashion.com - May 03, 2017

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## **Indonesia: Import products dominate domestic textile market**

The Indonesian Textile Association (API) said imported products dominated 70 percent of the countrys domestic textile market, which is estimated to reach US\$10 billion a year.

"Over the past five years, the domestic textile products have continued to lose their foothold in competition on the domestic market. Imported products have held control of 70 percent of the US\$10 billion market a year leaving only 30 percent of the market for domestic products," API chairman Ade Sudrajat said here on Wednesday.

Ade said API saw trade in textile products such as finished wear was relatively quiet such as at the Tanah Abang market in Jakarta, Turi market in Surabaya and Klewer market in Solo. What worried him is that the purchasing power of the consumers is declining that clothing is no longer a priority requirement, he said.

He said the government needs to address the problem with the falling buying power of the people. Under earlier government , there was what was called cash direct aid (BLT) that could increase the peoples buying power.

"Clothing is no longer a priority requirement for the people. Motorcycles have become higher in their priority," he said.

API also noted that 90 percent of the basic material for ready made wear are imported like cloth from South Korea, China and Japan. However, API is optimistic that countrys textile industry would continue to grow as indicated by data from the Central Bureau of Statistics (BPS) which showed that the countrys exports of textiles rose 3.8 percent year-on-year in the first quarter of 2017.

"I am confident in the next quarter the countrys exports of finished products would increase again," he said.

Earlier the Industry Ministry said it would coordinate with the Trade Ministry to curb imports of textiles and textile products (TPT) to protect the domestic industry.

Director General of Chemicals , Textiles and Multifarious Industries Achmad Sigit Dwiwahjono said the government encourages development of upstream textile industry.

"The people are called on to use local products as their contribution to boosting the domestic industry," Achmad Sigit said.

Another challenge faced by the industry is that most of the countrys textile factories especially in weaving and knitting factories still use old machines, which are no longer competitive in efficiency.

Exports of TPT grew only 2 percent year-on-year to US\$2 billion in the first two months of 2017, Achmad said.

He said the textile market is predicted to continue to increase domestically and globally with the growing population and increase in demand from non wear requirement such as for furniture.

Industry Minister Airlangga Hartarto said the countrys TPT industry has suffered a contraction in growth . In 2016, investment in the TPT industry was valued at Rp7.54 trillion with export earning at US\$11.87 billion. Also important is that the industry provided jobs for 17.03 percent of working people in the manufacturing industry.

Airlangga said textile industrialists should not delay investing otherwise in the next five years it would be more difficult for Indonesia to compete in international market facing other Asian major textile makers such as India, China, Vietnam and Bangladesh.

He said the industry ministry is seeking to prepare a draft regulation on incentive in the form of tax allowance for export oriented labor intensive industries. The purpose is to boost the domestic industry and to be more competitive.

Source: antaranews.com- May 04, 2017

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### **Cotton prices continue to remain firm in Brazilian market**

Since early March, cotton quotes have been firm in the Brazilian market. Since then, the CEPEA/ESALQ Index, 8-day payment terms, for cotton type 41-4, delivered in São Paulo, has oscillated only slightly, closing between 2.7118 real and 2.7705 real per pound. The widest variation was observed in early March, when the Index rose 1.06 per cent.

Between March 31 and April 28, the CEPEA/ESALQ Index, 8-day payment terms, for cotton type 41-4, delivered in São Paulo, remained stable (-0.01%), closing at 2.7641 real (\$0.8719) per pound on April 28.

In mid-April, cotton trades were weak in the Brazilian market. In general, sellers were more active than purchasers. Some processors did not buy cotton then as they had adequate stock, and only small plants purchased in small volumes, the Center for Advanced Studies on Applied Economics (Cepea) said in its latest fortnightly report on cotton.

In late April, some batches (mostly small volumes) were purchased for quick delivery, either with purchasers flexible regarding quality or with sellers willing to lower their asking prices.

Although the National Supply Company, Conab, has indicated a 14.3 per cent larger output in 2016-17 season, some growers continue firm, waiting for higher prices until the new crop enters the market. Agents from processors, however, are cautious as the pace of by-products sales has been slow.

Regarding trades for delivery in the 2016-17 and 2017-18 seasons, liquidity in April was good for both the domestic and export markets.

Source: fibre2fashion.com- May 04, 2017

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## **'Cambodian garment sector growing despite competition'**

The garment and footwear sector of Cambodia is growing despite tougher competition from regional players like Myanmar and Bangladesh, according to the Garment Manufacturers Association of Cambodia (GMAC). However, the growth rate has come down to single digit and exports grew by four per cent year-on-year in the first quarter of this year.

Some buyers are now placing orders from countries like Myanmar and Bangladesh, and decreasing their sourcing from Cambodia, GMAC president Van Sou Ieng said at an event this week.

In 2016, total export value of around 600 GMAC members stood at \$6.8 billion, which was nine per cent more than the previous year. However, this was slightly lower than the average annual growth rate of 10 per cent registered over the years, Sou Ieng said.

He was, however, optimistic about Cambodian travel goods industry due to duty-free privileges offered by the US since last July.

Speaking at the same event, Cambodian labour minister Ith Sam Heng applauded strong growth of garment sector, which employs 750,000 people. He said the minimum wage is currently at \$153 per month and along with other additional benefits, workers take home around \$170-180 per month.

Source: fibre2fashion.com- May 04, 2017

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## NATIONAL NEWS

### **January-December fiscal year gets thumbs-up from exporters**

Exporters have said that any change in the financial year to align with the calendar one is a welcome move.

On Tuesday, the Madhya Pradesh government became the first state to announce that it is shifting to the January-December cycle.

On a national level, the Centre has also started making preparations for switching over to a similar financial year cycle. It had also constituted a high-level committee under former chief economic advisor Shankar Acharya to examine the possibility of making such a move.

“Since most other countries follow a January-December financial year, any move in this direction will be helpful,” said Ajay Sahai, director general, Federation of Indian Export Organisations.

This will allow for a proper mapping of India’s foreign trade vis-à-vis global trade, something which is difficult to do right now, he added.

However, on the business side, the move is not expected to impact exporters much, he added.

Economists also supported the argument that companies would not see minimal, if any, changes to their profitability and ease of doing business.

“Apart from some multinational companies who now have to do their tax and accounting in line with the financial year followed by their parent company based abroad, firms will not see any significant changes in their operations, said Devendra Pant, chief economist, India Ratings & Research.

Industry sources also said it will help in the ease of doing business.

“It will help firms align with global trade practices and get export, based on a better understanding of global demand,” said Siddhartha Rajagopal, executive director at the Cotton Textiles Export Promotion Council (Texprocil) said.



However, it will not provide India with any advantage with regards to its international competitors, he added.

On the other hand, companies usually publish quarterly figures, which will not see any changes.

Prime Minister Narendra Modi had also asked chief ministers at meeting of the Niti Aayog to study the idea of a change in the financial year and suggest ways that can help implement it.

Source: business-standard.com- May 04, 2017

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### **Anti-dumping duty on synthetic yarn to benefit Modi's corporate friends: Asaduddin Owaisi**

Malegaon: Hitting out at the BJP-led government in New Delhi for not removing anti-dumping duty imposed on synthetic yarn despite persistent demands, All India Majlis-e-Ittehadul Muslimeen (AIMIM) Chief Asaduddin Owaisi on Wednesday said the continuation of the levy was actually to benefit Prime Minister Narendra Modi's corporate friends.

"There is a persistent demand from the textile sector to abolish anti-dumping duty on synthetic yarn. I also made a fervent appeal to Union Textile Minister Smriti Irani during the meeting of stakeholders the ministry had called in New Delhi.

"But all these demands fell on deaf ears because the anti-dumping duty on synthetic yarn is benefiting Modi's corporate friends", Hyderabad MP Asaduddin Owaisi said in direct reference to Reliance Industries - one of the largest producers of polyester fibre and synthetic yarn in India.

While addressing an election rally in Malegaon on Wednesday, his second rally in a week, Asaduddin Owaisi also said that the petroleum prices have come down from \$110 to \$55 per barrel but the prices of synthetic yarn are moving upwards.

"The textile sector, second largest after agriculture, will not be on the right track unless the yarn prices are controlled.

"Anti-dumping duty should be imposed on Chinese fabrics coming to India if the government wants to save the struggling textile industry", he said.

Asaduddin Owaisi also termed the much publicised PowerTex India a mere eyewash and lacking the measures urgently needed to bring the textile industry back on the right track.

"There is a need to increase the capital subsidy amount from the existing 30% to 40%. But, the Modi government reduced it to 10%. Its nothing but a cruel joke with the weavers", Owaisi said.

Owaisi also slammed the government for failing to provide uninterrupted electricity to powerloom centers.

"There is a power cut of more than 8 hours in Malegaon. How can the powerlooms run without electricity? In Malegaon, the textiles is linked with livelihood of the people. How can they feed themselves if there is no electricity?", Owaisi asked while campaigning for the AIMIM candidates in Khyabane Nishat Chowk area of Malegaon.

The AIMIM is contesting Malegaon Municipal Corporation (MMC) elections slated to be held on May 24 for the first time.

Malegaon corporation has 21 wards and each ward will elect 04 corporators. This takes the total number of corporators to 84.

Though the AIMIM has not yet released list of its candidates in Malegaon, sources said the party, led by former Mayor of Malegaon Abdul Malik Yunus Isa, is planning to contest the upcoming elections in all wards of the city.

Source: ummid.com- May 04, 2017

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## **Haryana's Textile Policy to boost investments, spur development of textile sector**

Credit rating agency ICRA on Wednesday announced that the Haryana state government recently announced the state specific Textile Policy on April 2017 that aims for integrated development of the textile industry with the state, at the same time remove the current mismatch across the value chain.

According to an ICRA report, the new state policy introduces measures such as capital subsidy at 10 percent for investment in Plant and Machinery (P&M) eligible under ATUFS (Amended TUFS).

This will reduce the project cost upon commissioning; Interest subsidy in the range of ~four to six percent in the scheme for all types of new textile units, depending on the area/ category of district and; Support for establishing textile parks in terms of additional fiscal incentives as well as infrastructure augmentation. This is in addition to the Central Government's scheme for Integrated Textile Parks (SITP) to support the overall industrial growth in this sector.

"States of Maharashtra, Gujarat, Madhya Pradesh among others already have state textile policies in place for facilitating investments in the sector. These states have benefited over the years from these policies, as is evident from the capacity additions. In this context, the benefits proposed in the Haryana Textile Policy are expected to make the state competitive for investments for the textile sector going forward," said Senior Vice President and Group head ICRA, Jayanta Roy.

The policy is structured to provide relatively higher incentives in Category C and D blocks (defined under the Enterprises Promotion Policy, 2015, as industrially backward areas), as compared to Category A and B Blocks (defined as industrially developed and intermediate developed areas).

Besides, the policy will also supplement the central policies for the textile sector.

Source: business-standard.com- May 03, 2017

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## India invites Bangladesh to attend Textiles India expo

Bangladesh textile and knitwear industry leaders to attend the upcoming 'Textiles India 2017', a mega trade event for the Textile and Handicraft sectors, where the entire range of Indian textile products from 'Farm to Fiber to Fabric to Fashion' will be showcased.

A delegation comprising Chairman and Vice Chairman of the Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) of India visited Dhaka on Tuesday and held meetings with the senior members of the Bangladesh Garments Manufacturers and Exporters Association (BGMEA) and Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) and invited them to participate in the event.

The event will be inaugurated by Prime Minister Narendra Modi, the Indian High Commission in Dhaka said.

Textiles India 2017 will also provide an opportunity for the participants to hold B2B meetings with around 2500 international buyers, international and Indian exhibitors, and 15000 Indian buyers.

Over 33 round-tables will also be held on issues of concern for the various segments of textiles and handicrafts on the second day with prominent international speakers and industry leaders.

The three-day event will also include global conferences on the last day with six different themes related to the textiles sector. The mega event will be held from Jun 30 to Jul 2 in Gandhinagar, Gujarat.

Source: yarnsandfibers.com- May 03, 2017

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## **Farmers likely to increase acreage under cotton**

With cotton crop able to fetch relatively higher prices in 2016-17 and is expected to sustain remuneration levels in the current fiscal as demand for cotton, especially by mills, is also rising and is likely to result in a consistent fall in year-end stocks of cotton, according to the International Cotton Advisory Committee (ICAC). Farmers are likely to increase acreage under cotton, resulting in higher output going forward.

The total area under cotton globally will rise by five percent to 30.8 million hectares in 2017-18 cotton year (July-June). However, ICAC stated that India's cotton area is forecast to increase by seven percent to 11.3 million hectares in 2017-18, as farmers eye better returns brought about by higher prices and improved yields in 2016-17.

Assuming the yield is similar to the five-year average, production could increase by three percent to a little under six million tonnes.

The Textile Commissioner of India had estimated the yield in 2016-17 at 568.29 kg/hectare. The highest yield was in south India and the overall yield was better than in previous years.

According to Prerana Desai, Vice President-Research, Edelweiss Agri Services and Credit, Cotton has seen a unique season this year. In response to demonetisation, farmers delayed selling their produce and dictated the price throughout the season. As the seasonal price trough did not play out, the mills were caught unawares and missed out on opportunity to make purchases at lower prices.

Farmers in Rajasthan played a crucial role this season. Lower crop along with increased local consumption of cotton in Gujarat increased the raw cotton deficit in Punjab and Haryana, the largest consuming region after Tamil Nadu.

Import parity for mills in the north emerged in March itself, and these mills ended up importing very large quantity of US cotton this season. This has improved their yarn realisation and US cotton may have earned some loyalty in this traditionally non-importing region of India.

Production of about six million tonnes helps India surpass China and US by quite a high margin. China's production is expected to be higher by one percent, at 4.8 million tonnes, the first increase in five seasons.

Farmers in the US are expected to expand harvested cotton area by 12 percent to 4.3 million hectares, and assuming a yield of 938 kg/ha, production could grow eight per cent to four million tonnes, according to ICAC.

Another reason for the global increase in cotton acreage is lower price realisation from soyabean. As a result, farmers switched from soyabean to cotton, according to one exporter.

Imports by China, now the world's third largest cotton importer, are expected to increase by three percent to 987,000 tonnes as sales from that country's reserves are falling. India's exports are projected to decline by 30 percent to 886,000 tonnes.

According to Desai of Edelweiss Agri Services, Year-to-date imports (Oct-Mar) are around 980,000 bales vis-a-vis 450,000 bales during same period the previous year. While mills in the country have been quoted as saying that India will import more than three million bales this season, they are of the view that the pace of import will slow down from here on.

Softening domestic prices has seen import parity disappear for mills in the south, and flatten for mills in north. India imported around 2.3 million bales of 170 kg in 2015-16. and may end up importing a similar or marginally lower quantity this season as well.

Source:yarnsandfibers.com- May 03, 2017

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## **Wastewater under spotlight at Planet Textiles**

BANGALORE – In certain manufacturing regions of the global textile and clothing sector, water has often been viewed as a burden for disposal once it has been used in the production process. But with rising water scarcity in many regions, this is changing, and the importance of wastewater collection, treatment and reuse is steadily being recognised as a crucial piece in the jigsaw when it comes to sustainable textile manufacture.

Four breakout sessions at the upcoming Planet Textiles in Bangalore, India on 24 May will refer to this important issue and how this wastewater can be reclaimed and reused under circular business model principles. A recent UNESCO report estimated that well over 80 per cent of wastewater worldwide (over 95 per cent in some developing countries) is released into the environment without treatment.

Sajid Hussaid, COO, Tamilnadu Water Investment Co, who was instrumental in the Zero Liquid Discharge Project in Tirupur will lead a session on textile wastewater and speak about some of the challenges he faced implementing this initiative in Tirupur dyehouses.

These include the lack of a policy framework, technology issues and how water scarcity, water economics and regulatory pressure – the main drivers of ZLD – ultimately determine financial viability.

Other panel members on this session include: Stefan Siedel, head of sustainability, Puma; Flaviano Bianchini, founder & director, Source International; Jayakumar Gopalakrishnan, head of sustainability, Pratibha Syntex and Rainer Zah, managing director at Quantis International which has developed and operates the Quantis Water Database – said to be the first database generating the water footprint of any product, service, company or organisation throughout its entire life cycle.

A session run by the ZDHC Group will flag up the importance of its wastewater discharge guidelines that it aims to roll out across its member brands' supply chains. More details on this will be announced shortly.

Oeko-Tex will moderate and run a special breakout session that aims to be a guide to the changing landscape of chemical management. "Continuous adoptions and changes of chemical regulations and restrictions regarding consumer products create a global demand for practical solutions," said Martin Cieslik, head of marketing & business development at Oeko-Tex. "The reduction of chemicals of concern requires globally harmonised strategies to proactively ensure a sustainable chemical management. Delegates will learn more on strategies and impacts to successfully meet the challenges within this context of constant change."

Panellists include: Jörg Diekmann, sales director, Hohenstein Group; Dr Pankaj Desai, head research & development, Colourtex Industries; Shri R.

K. Dalmia, senior president, Birla Century and Ullhas Nimkar, chairman & managing director, NimkarTek.

Swiss textile chemicals specialist Archroma will run a special textile wet processing session which will feature Elaine Gardiner, sustainability manager at Pentland Brands who will represent the AFIRM Group and Mohan Seneviratne, program manager at PaCT, International Finance Corporation. A major brand is also expected to join shortly.

During this session – hosted by James Carnahan, head of sustainability at Archroma, the emphasis will be on implementation of more sustainable solution in textile dyeing and finishing and how this can be accelerated. Cost will also be an issue.

"From our perspective, we feel that long-term sustainable solutions should not cost a premium," noted Carnahan, "in fact we should aim for them to be cheaper so that we can accelerate implementation."

Meanwhile, we can also confirm that Barruch Ben-Zekry, director of sustainable raw materials at VF Corporation will join Ian Rosenberger, the CEO of Thread International to talk about a project in Haiti where plastic bottles are hand-picked and turned into fabric for the likes of Timberland.

Planet Textiles takes place the day following the two-day annual Sustainable Apparel Coalition members meeting and includes an exhibition space for solutions providers.

Source: ecotextile.com- May 03, 2017

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