

IBTEX No. 262 of 2016

Dec 28, 2016

USD 68.22 | EUR 71.48 | GBP 83.85 | JPY 0.58

Cotton Market Update		
Spot Price (Ex. Gin), 28.50-29 mm		
Rs./Bale	Rs./Candy	USD Cent/lb
18645	39000	73.67
Domestic Futures Price (Ex. Gin), December		
Rs./Bale	Rs./Candy	USD Cent/lb
19320	40413	76.34
International Futures Price		
NY ICE USD Cents/lb (March 2017)		69.74
ZCE Yuan/MT (January 2017)		14,760
ZCE Cotton: USD Cents/lb		82.41
Cotlook A Index - Physical		79.05
<p>Cotton & currency guide: ICE cotton futures edged lower for the second straight session on Tuesday in limited holiday trading, amid a steady dollar. Market participants were off on a vacation on occasion of Christmas and New Year which led to minimal trade activity on Tuesday. The market may further witness limited trade activity during the week. March cotton contract on ICE Futures U.S. settled down 0.13 cent, or 0.19 percent, at 69.74 cents per lb.</p> <p>Cotton arrival in major markets across India marginally decreased by 2,000 bales on Tuesday.</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

VN textile industry proposes to review development plan

In the five years from 2010 to 2015, the Vietnam textile industry held a growth rate of export value at 15 percent per year. This year export value is expected to reach \$29 billion.

The target in export value was much lower than the figures in reality and the development plan was not suitable with the real development of the industry. The textile and garment industry was slated to reach US\$20 billion in export value in 2015, but the industry hit an export value of \$27.5 billion.

The Vietnam Textile and Apparel Association has proposed the Government and related ministries and sectors to review the development plan for the garment industry by 2020 to support local textile and garment enterprises in taking opportunities as well as overcoming challenges from free trade agreements.

Renovation of the development plan for the textile and garment industry by 2020 and towards 2030 is necessary because the industry expects to enjoy many advantages in development over the next 10 years.

The adjustment of the plan should be effective until 2025, and towards 2040.

The association has also suggested the Government, the Ministry of Industry and Trade and the Ministry of Planning and Investment to build development plans for the industry, including a development plan on industrial zones.

As many small textile and garment firms have not been concentrated in specialized zones for the textile and garment sector, which led to difficulties in the management and treatment of waste water. This factor is related to the industry's sustainable development and protection of the environment.

Source: yarnsandfibers.com– Dec 27, 2016

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Over 1600 workers sacked in Bangladesh following labour unrest

"About 1,600 workers have been sacked and 10 cases have been filed following labour unrests till today," said Dhaka industrial police director Mostafizur Rahman

Bangladesh garment manufacturers have sacked over 1600 workers for participating in "illegal" protests, demanding three-fold pay hike that resulted in week-long shutdown at nearly 85 factories, supplying ready-made apparels to top Western brands. Over 85 apparel units in Dhaka's suburb Ashulia, the hub of Bangladesh's nearly 4,500 garment factories, were closed earlier this month after labourers demanded to increase their minimum wage from Tk 5,300 (USD 67) to Tk 16,000 (USD 201), prompting fears of supply shortage during the festive season.

The garment factories, supplying clothings to brands like Zara, H & M, Benetton, and Gap, partially opened today as hundreds of workers were sacked by the managements for their alleged role in protests, termed "illegal" by the police.

"About 1,600 workers have been sacked and 10 cases have been filed following labour unrests till today," Dhaka industrial police director Mostafizur Rahman was quoted as saying by New Age Bangladesh.

Bangladesh Garment and Industrial Workers Federation, however, said 3,500 workers were sacked so far "to mum the protests".

Factory officials said that productions at all the 85 factories, which remained closed since December 21, resumed in the morning and continued without any interruptions, but workers' attendances were low. The workers, however, said that many of their colleagues did not rejoin work fearing arrest as factory managements and police have filed several cases against over 1,500 workers, although, only 150 have been named.

"Many workers are in hiding to avoid harassment, police hassle and arrest as police and ruling Awami League activists are raiding houses of workers every night," said Garment Workers Trade Union Centre general secretary KM Ruhul Amin.

Dhaka Superintendent of Police Shah Mizan Shafiur Rahman said that 22 workers were arrested after factory authorities filed cases against several hundred named and unnamed workers on charge of vandalism, looting, threatening other workers and assaulting factory officials.

The Bangladesh Garment Manufacturers and Exporters Association have yesterday announced to reopen the factories after an intervention by Prime Minister Sheikh Hasina.

The garment industry in Bangladesh makes up to 77 per cent of the country's exports and employs over 3.6 million workers, but has struggled with frequent labour unrest over low-pay and bad working conditions. The industry drew international outrage after 1,130 people were killed when Rana Plaza factory complex, employing thousands of workers, collapsed in 2013.

In the aftermath of the tragedy, many top western brands had promised to actively engage the supplier factories in Bangladesh to improve the deplorable safety and working conditions.

Source: indianexpress.com– Dec 27, 2016

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Rising demand for waterproof textiles to see steady growth in Asia Pacific



Owing to rising consumer preference towards health and fitness, growing disposable income, adoption of various sports such as snow sports, water sports, and mountaineering are augmenting the demand for sportswear resistive to water. Waterproof textiles are divided into various segments such as tents, sportswear, outdoor equipment, and industrial safety wears.

The introduction of latest developments in terms of smart breathable fabrics with water proof fabric is also a development factor augmenting the growth of the market. High demand of water proof textile by defense sector

in terms of jackets, vests, and other clothes to ensure the protection of soldiers from the harsh climatic conditions in the battle field is a vital factor responsible for raising the demand of waterproof textiles.

However, varying consumer choices related to fashion and trends may hinder the growth of the water proof textiles market.

Geographically, North America is holding its influence over the market due to the huge demand of sports clothing and apparels in its regional territory such as the US, Canada, and others. Further, Europe is expected to grow rapidly. Asia Pacific is also anticipated to grow at a steady pace owing to rising demand for water proof textiles and rapid industrialization.

Waterproof textile is a fabric material which does not allow the liquid to penetrate into the interior part and works as a shield to resist the harsh climatic conditions such as rain, UV radiation, and to retain the body temperature. The fabric is ventilated with the help of infinite pores.

Waterproof textiles are basically coated synthetic or natural fabrics with rubber, silicone, elastomer, fluoropolymers, and wax. Based on recent development, polyethylene terephthalate (PET) is the material used for making bottles and utilized for producing waterproof textiles.

Waterproof textiles are widely segmented based on raw materials through which they are processed as polyurethane, polymer, and synthetic microfilament.

Major key players in waterproof textile manufacturing are focusing on developing innovative water proof fabrics to increase their influence over the market.

The key players operating in the global waterproof textiles market include Heartland Textiles Co. Ltd., Columbia Sportswear, Dow Corning, Clariant, General Electric, Huntsman Textiles Co. Ltd., APT Fabrics, Archroma, Lowe Alpine, and WL Gore & Associates, Inc.

Source: yarnsandfibers.com– Dec 27, 2016

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New textile mill established in Afghanistan

A new textile mill has been set up in northern Balkh province in Afghanistan, which will produce 1.5 tons of yarn and 10,000 metres of fabrics per day and employs around 150 persons, which also includes 60 women. The textile facility has been set up at an investment of 60 million Afghanis, with plans to also export its products to various countries.

Haji Baryali Nabizada, the owner of the textile mill told the Pajhwok Afghan News that he however was looking at government support to further expand production capacity.

He cited land and electricity issues as road blocks in expanding capacity and sought government help in sorting out these challenges.

Source: fibre2fashion.com– Dec 28, 2016

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Ghana: Traders with pirated textiles to be prosecuted from 2017



The anti piracy task force has hinted of plans to prosecute traders who are found culpable of smuggling pirated fabrics into the country.

Smuggling of pirated goods into the Ghanaian market has become a daunting challenge to the local textile manufacturing companies, resulting

in collapse and layoffs.

General Secretary of the Textile Garment and Leather Workers Union, Abraham Koomson says the task force is revising its measures from burning to prosecuting, as that will be deterrent enough.

“Starting next year we will prosecute those who are found culpable. We have realized the burning does not deter these traders, so we will arraign them before court”, he announced.

He cautioned consumers to be vigilant when buying this season so they are not shortchanged by some unscrupulous traders.

“During this period you get a lot of goods on the market and consumers must be cautious. Do not be deceived by the cheap prices”, he cautioned.

Source: ghanaweb.com– Dec 27, 2016

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NATIONAL NEWS

Textiles sector looks to 2017 for policy boost

2016 turned out to be a mixed bag for textiles, as the government unveiled reforms to impart a thrust to the sector, rolled out innovative campaigns like 'I Wear Handloom', a new Minister at the helm, and a controversy over the appointment of former cricketer Chetan Chauhan as the NIFT chief.

However, as the year draws to a close, the much-awaited new National Textiles Policy is yet to see the light of day, with the Textiles Ministry still engaged in consultations with stakeholders chalking out nitty-gritty of its roadmap.

The policy aims to achieve USD 300 billion (over Rs 20 lakh crore) worth of textile exports by 2024-25 and create an additional 35 million jobs.

The textiles industry is eagerly awaiting the roll out of the policy in 2017, as it could make Indian garments more competitive in international markets by reducing the cost of production, and all eyes are on Irani, hoping she will infuse fresh momentum into the sector.

The year began with the government notifying the Amended Technology Upgradation Fund Scheme (A-TUFS) to provide a one-time capital subsidy for investments in employment-and technology-intensive segments of the textile sector, a move aimed at promoting exports and import substitution.

A Rs 6,006-crore special package for textiles and apparel sector was rolled out in June, expected to create one crore new jobs in three years, attract investments of USD 11 billion and generate USD 30 billion in exports.

The government brought in major labour law reforms in the garb of the package to increase productivity, and offered additional incentives for duty drawback scheme for garments.

Around the same time, Textiles Ministry found itself at the heart of a controversy, with the appointment of Chauhan as the Chairman of NIFT, and many questioning the government's decision, raising doubts over his credentials to lead India's premier fashion technology institute.

A few days later, Smriti Irani, shunted out of HRD, assumed the mantle of the Textiles Minister. On taking charge, Irani retorted to critics quoting from a popular Hindi song of the 1970s, "Kuchh toh log kahenge, logon ka kaam hai kehna" (people are bound to say things because they have to say something).

Soon after, there were media reports of a tussle between Irani and Textiles Secretary Rashmi Verma, an IAS officer of 1982 Bihar cadre and sister of Cabinet Secretary P K Sinha.

Apparently, differences cropped up between the two ladies on a range of issues - from procedural and the administrative to those related to policy. However, no one came on record to talk about the issue.

Irani tried to steer clear of the controversy by coming up with innovative ideas like the 'I Wear Handloom' campaign to show support for Indian weavers. The campaign became a hit as many prominent faces posted selfies sporting handspun clothing on social networking site Twitter. The Textiles Minister is faced with an uphill task, as overall exports of textiles and garments from India during 2015-16 were USD 40 billion, falling way short of the USD 47.5 billion target.

In fact, the Government recently admitted that the USD 48 billion target for textiles and garment exports for 2016-17 may be "hard to achieve", mainly because of less demand in major markets such as the US, EU and China.

Irani, who had a successful stint as a TV actress before taking plunge into politics and fought unsuccessfully against Rahul Gandhi from Amethi in the 2014 Lok Sabha elections, also launched Pehchan, a move to register and provide ID cards to handicraft artisans. The new upgraded ID card for artisans is linked with their Aadhar numbers & bank accounts so that they can receive direct cash transfer benefit.

The year also witnessed Textiles Ministry aggressively inking MoUs with reputed apparel brands to sell handloom products in retail stores, attempting to draw people towards the fabric and increase its sales.

Recently, the government approved reforms in the apparel Made-ups sector, aimed at creating large scale direct and indirect employment of up

to 11 lakh persons over the next three years and boosting exports.

The reforms were approved within the Rs 6,006 crore budget for the apparel package announced earlier.

Source: business-standard.com – Dec 27, 2016

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Funds no constraint for textile schemes



Sircilla: The schemes implemented by the Central government must be utilised for the development of Textile and Jute industry in the district, suggested Additional Secretary Textiles Pushpa Subrahmanyam here on Tuesday.

Later she interacted with representatives of the managements of the textile and handlooms units to know their problems.

She inspected textile parks on the outskirts of Baddenapalli in Thangallapalli mandal, to which the Central government has issued weaving units as part of modernisation on the day.

Close ad X

Addressing a conference of industrialists, she felt the need to establish a yarn bank in Sircilla district along with improvising the dying process and development of sheds.

‘The Central government is implementing various schemes for the development of jute industry in the country. There is no scarcity of funds.

The funds would be allotted for giving training to workers for improving their skills. By replacing old technology with new one and modernising them, better results can be obtained,’ she stated.

Pushpa directed the officials to establish new units in the place of empty blocks present in the textile park.

After observing the processing units where the modernisation scheme is implemented successfully, she said as many as 5,500 units are modernised till date and 30,000 units will be modernised in the next phase.

She also said that they are designing a policy to minimise electricity charges for textile industries present in the country and are requesting the State governments to cooperate them in this regard.

She also attended an awareness programme on cashless transactions for the workers of handlooms and textile units.

She handed over bank documents to those workers who have no bank accounts, after opening them. Commissioner Textiles Shailaja Rama Iyer, District Collector D Krishna Bhaskar and Assistant Director V Ashok were present along with others.

Source: thehansindia.com- Dec 28, 2016

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Cotton Corp resorts to purchase cotton at market rates to ensure supplies

The state run Cotton Corporation of India (CCI) a premier organization under the Ministry of Textiles has resorted to commercial purchase of cotton at market rates from various parts of the country to ensure supplies for its customers in the textiles industry.

MM Chockalingam, CCI's Chairman and Managing Director (in-charge) said that after a gap of almost four years, they have made a small beginning and have purchased about 1,000 bales (of 170 kg each) so far, at commercial rates, from various centres even as cotton trades firm on lower arrivals due to the impact of the currency crunch. They expect to purchase up to 15 lakh bales in the current season.

CCI has been purchasing kapas or raw cotton from markets wherever the prices are lower, Chockalingam said, adding that the commercial purchase

of up to 15 lakh bales would be mainly from the West, Central and Southern parts of the country as prices in the Northern markets are ruling much higher.

Kapas prices are ruling between ₹4,900 and ₹5,300 a quintal in various markets. They expect the prices to soften a bit from next month, while ruling out a drastic fall. Further, they see a very slim possibility of the CCI taking up procurement operations at the MSP this year as prices were unlikely to drop below the support price levels on account of the tight demand-supply scenario.

The Centre had announced an MSP of ₹4,150 per quintal for the current season for the long staple fibre and ₹3,860 for the medium staple length. Besides protecting cotton growers' interests, CCI also caters to the needs of its customers, such as the National Textiles Corporation and several co-operative mills. It also meets the demand of private sector mills, mainly during the lean season, by releasing the fibre from its stocks.

Over the last three-four years, CCI has stepped into the markets to protect farmers when prices fell below the minimum support price (MSP) levels. But this year, cotton prices have been firm at the start of the season on account of lower arrivals. In fact, in the immediate aftermath of demonetisation, cotton prices spiked, even surpassing the global prices, as farmers temporarily held back their produce.

Though the Indian cotton acreage had dropped by close to a tenth this year to around 11 million hectares higher yields, on account of widespread rains in key producing States, it is expected to help maintain output.

The Cotton Association of India, expects the output to be around 336 lakh bales, marginally lower than last year's 337.75 lakh bales.

While, the Cotton Advisory Board has pegged the output at 351 lakh bales for the 2016-17 season starting October. Similarly, the International Cotton Advisory Committee expects the cotton output in India this year to remain unchanged at 5.8 million tonnes from 2015-16.

Source: yarnsandfibers.com- Dec 27, 2016

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KTR encourages handloom textile sector in Telangana

Minister for Textile and Handlooms K.T. Rama Rao on Tuesday requested all legislative leaders to encourage promoting and boosting of handloom and handicrafts sectors across Telangana.

KTR met the speaker and all ministries personally in this regard and gifted them hand woven clothes while asking them to ensure that all employees working under them use handloom textiles and thereby promote it.

Rao had earlier assured that the Telangana Government would announce a 'Handloom Policy' soon to take more measures for development of handloom products and the weaver community. The policy will include establishment of 12 handloom clusters in the state.

Source: business-standard.com - Dec 27, 2016

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Expo by Kolkata based Nirmal Saree display wide range of handloom fabrics



A 17-day exhibition of a variety of hand-woven fabrics by Kolkata-based Nirmal Sarees began at Hawa Mahal on Sunday where an array of scripted silk saris in vibrant colour combination, hand-printed mulberry silk weaves, Maheshwari saris with silk thread woven as warp and cotton yarn as weft, plain silk saris with scripted pallu and border and easy-to-maintain viscose saris along with a

collection of handloom drapes have been put on display at an exhibition here.

According to organizers, the exhibition has been presented for the first time in the city.

Nirmal Dutta, owner of Nirmal Sarees who runs a garment manufacturing unit in Kolkata specializing in manufacturing of silk and cotton sarees said

that a lot can be experimented with handloom threads as the result turns out to be outstanding.

With contemporary print plus thread work adding to the style quotient, handloom fabrics have become the most preferred products among many across the country.

The exhibition offers a wide choice. From Vishnupuri silk in multi-colour to Tussar silk in Kalamkari print, impressively printed cotton sari to Jamdhani weaves and mulberry silk drapes with the auspicious swastikas, the weaves that range anywhere between Rs.400 and Rs.10,000 not only look elegant but also quite unusual.

Shoppers visiting the exhibition are offered a discount of 20 to 40 percent on the products. The exhibition will run till 10th January.

Source: yarnsandfibers.com - Dec 27, 2016

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Karnataka govt urged to allow run powerlooms in residential buildings

The Akhila Karnataka Kaimagga Nekarara Sangha (All Karnataka Handloom Weavers Association), MLC and president, M.D. Lakshminarayana has urged the State government to allow functioning of powerlooms in residential buildings. As from the past, weavers have been running handlooms and powerlooms fixed with shuttle in their dwelling place.

As per the Cluster Development Plan (CDP) for textile industry formed by the State government in 2013, powerlooms are barred from functioning in residential areas.

Based on this, the trade licences are not issued and environment clearance is not provided by the authorities concerned to run powerlooms in residential buildings in a few urban centres.

The State government should bring necessary amendment to the CDP and allow the functioning of powerlooms in residential buildings. The

government should not consider weaving as an industry or a commercial activity, but a part of the culture and lifestyle of Nekara communities.

Mr. Lakshminarayan said that the cloth for uniforms distributed among the students of government schools should also be purchased from local weavers.

He further also urged the government to establish marketing committees for weavers also at the district level on a similar model of Agriculture Produces Marketing Committees formed by the government have ensured a suitable platform to market the agriculture produces.

Source: yarnsandfibers.com - Dec 27, 2016

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LimeRoad partners with MP Govt to offer handloom products online

New Delhi: LimeRoad, the fashion commerce platform today said they have signed MoU with Madhya Pradesh Laghu Udyog Nigam to retail handloom and handicraft range of products on its platform. The e-commerce platform has already started selling handicrafts and apparel range from the Nigam, the company said in a statement.

“Platform provided by LimeRoadcom to our artisans will help spreading the old customs & traditions of rural Madhya Pradesh across the world,” Shri Shivraj Singh Chouhan, Hon’ble Chief Minister of Madhya Pradesh tweeted.

“We are proud to announce that the Mrignayani products are live on LimeRoad. We have always wanted Limeroad to be the most extensive platform for the discovery of delightful products made by small-scale entrepreneurs across India. We are honored to partner with the Madhya Pradesh Govt. and we welcome the talented artisans of MP on to our platform. These gorgeous Chanderi & Maheshwari fabrics and saris have been around for years! The LimeRoad Mobile App will now take these unique assets of India to millions of customers, and make these products from TRaditional to Trending,” Suchi Mukherjee, founder and CEO LimeRoad said.

The MoU was signed during the National Vendor Development Programme and MSME Convention 2016 hosted by the Ministry of MSME, Government of India and the Department of MSME, Government of Madhya Pradesh, the company informed.

Source: *ETRetail.com*– Dec 27, 2016

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Mired in red tape, first NIFT to be reality



"The establishment of NIFT in Panchkula will go a long way in developing the textile, handloom and cottage industry, besides the local area. As an added incentive to domicile students, 20 per cent seats will be reserved for them" Ram Bilas Sharma, Technical education minister

Mired in controversies and administrative red tape for years, decks have finally been cleared for the setting up of Haryana's first National Institute of Fashion Technology (NIFT) in Panchkula.

Nearly three years after land was allotted for the flagship project, Union Minister of Textiles Smriti Irani and Chief Minister Manohar Lal Khattar will lay the foundation stone of the institute at Sector 23 in Panchkula on December 29.

Spread over 10.45 acres, the government is committed to provide funds amounting to Rs 99.71 crore for the creation of state-of-the-art infrastructure at the institute, to be developed in collaboration with the Union Ministry of Textiles and NIFT, New Delhi.

Though the proposal to develop NIFT was mooted several years back, a tussle between former Chief Minister Bhupinder Singh Hooda and Congress' Ambala MP Kumari Selja reportedly delayed the project.

A 10-acre plot was allotted for NIFT by the Haryana Urban Development Authority (HUDA) to the Technical Education Department on October 30, 2013. Subsequently, the Standing Finance Committee of the Finance Department cleared the project on December 10, 2013.

However, on account of certain technical issues, a new plot measuring 10.45 acres was allotted by HUDA on June 26, 2015. On April 24, 2016, Khattar announced setting up of NIFT. The Haryana Police Housing Corporation is executing the project.

“The establishment of NIFT in Panchkula will go a long way in developing the textile, handloom and cottage industry, besides the local area. As an added incentive to domicile students, 20 per cent seats will be reserved for them,” Technical Education Minister Ram Bilas Sharma said today. Officials said NIFT would run six degrees courses with annual intake pegged at 230 students and estimated strength would be 850 after four years.

Source: tribuneindia.com– Dec 28, 2016

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