



The Southern India Mills' Association

Post Box No. 3783, 41 Race Course, Coimbatore - 641 018

Phone: 0422 4225333 | Fax: 0422 4225366

E-mail: info@simamills.org | Web: www.simamills.org

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SLAB CATEGORISATION TO HOLD KEY FOR APPARELS TO REAP BENEFITS OF GST REGIME	The Hindu http://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/slab-categorisation-to-hold-key-for-apparels-to-reap-benefits-of-gst-regime/article9083017.ece
<p>Tax rate slab classification is going to hold the key for apparels whether the products are going to be considerably benefitted by the Goods and Services Tax (GST) regime in terms of taxation vis-à-vis the present scenario.</p> <p>The apparel manufacturers in Tirupur knitwear cluster, a predominant micro, small and medium enterprises hub, feel that unless the apparels were considered as 'essential items' and henceforth attracting the 'lower rate' slab that was tentatively been talked about at 12 per cent if the revenue neutral rate was fixed as planned at around 15 to 15.5 per cent.</p> <p>Three slabs</p> <p>The 'Report on revenue neutral rate and structure of rates for the GST', compiled by a committee headed by the Chief Economic Advisor, Arvind Subramanian, has recommended to the Union Government for three slabs of 'lower rate', 'standard rates' and 'de-merit rates'.</p> <p>'Lower slab rate'</p> <p>S. Dhananjayan, a senior member of Institute of Chartered Accountants of India, said that the apparels segment genuinely deserves to be bracketed under 'lower slab rate' considering that the cumulative tax on the textile products, including the non-availability of input tax credit on the inter-State purchase of cotton and other raw materials, presently comes to only around 7 to 8 per cent.</p>	

<p>TAMIL NADU TEXTILE WORKERS DEMAND ENFORCEMENT OF 30 PERCENT PAY HIKE</p>	<p>The Indian Express http://www.newindianexpress.com/business/news/Tamil-Nadu-textile-workers-demand-enforcement-of-30-percent-pay-hike/2016/09/07/article3615480.ece</p>
<p>CHENNAI: Hundreds of textile workers in Tamil Nadu have launched protests to demand that the first minimum wage increase in the southern state in more than 12 years is enforced.</p> <p>In July, the Madras High Court ordered a pay rise of up to 30 percent for hundreds of thousands of garment workers in Tamil Nadu, but appeals by manufacturers against the order have left workers in limbo, labour unionists said.</p> <p>Under the 1948 Minimum Wages Act, state governments are required to increase the basic minimum wage every five years to protect workers against labour exploitation, but textile manufacturers have repeatedly challenged pay rises in Tamil Nadu. Under the court ruling, workers would see their pay rise from a monthly average of 4,500 rupees to 6,500 rupees (\$68 to \$98) - which campaigners say is comparable to wages for textile jobs in most other states.</p> <p>"Manufacturers must recognise that this is a labour intensive unit requiring highly skilled workers," said Sujata Mody, President of the Garment and Fashion Workers Union.</p>	

<p>GOVT ON THE VERGE OF IMPLEMENTING GST OF 12% FOR TEXTILE INDUSTRY</p>	<p>Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/govt-verge-implementing-gst-12-textile-industry#.V9CyPFt97Dc</p>
<p>The government has so far incentivized the textile industry that has been one of the largest contributors to the country's exports and provider of jobs to million. The latest being the R6,000-crore textile booster package in June this year, which has increased the duty drawback significantly.</p> <p>Indirect taxes, being transaction-based, play an important role in the growth of any industry. At present, the government are on the verge of witnessing the implementation of the most awaited indirect tax reform in India, the GST, expected to be a growth stimulator. But whether this growth stimulator will support the booming textile industry in India or will it take it to a new low is a wait a watch situation.</p> <p>At present the textile industry is plagued with several issues including classification disputes (fabric versus garment), differential taxation of cotton and man-made fibre, higher rate for composite mills than power looms, and so on. On a positive side, GST could be a timely solution by bringing uniformity and a level-playing field for textile players in all segments of the industry.</p> <p>The new tax regime should positively influence exporters, as exports would be zero-rated and input tax credit would be fully available to textile exporters, though increasing working capital requirements in the interim. But the applicable duty drawback scheme at high rates will have no relevance under GST; this could be a dampener. On the other side, the proposed GST rate of 12% is likely to have a negative impact on the textile industry, the worst being the cotton value chain which is currently leviable to zero excise duty under the optional scheme.</p>	

<p align="center">COMMON FACILITY CENTRE CONSTRUCTED UNDER TEXTILE & HANDIVRAFT DEPT AT NLG</p>	<p align="center">Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/common-facility-centre-constructed-under-textile-handicraft-dept-nlg#.V9CyS1t97Dc</p>
<p>Under the Integrated Sericulture Development Project of North East Textile Promotion Schemes of Ministry of Textile, GoI a new Common Facility Centre has been constructed at Industrial Estate, Naharlagun which was inaugurated by Minister Textile and Handicrafts, Tapang Taloh on Tuesday.</p> <p>The Common Facility Centre is under the Department of Textile & Handicrafts.</p> <p>After the opening of the centre, a training programme on Silk Weaving on Jacquard also commenced at the centre. The training is designed to impart training to the various stake holders of weaving fraternity and in service staff of the department in order to put them on the track with latest technology in design and product diversification.</p> <p>The minister at the inauguration function lamented upon the lack of work culture and urged all the officers to maintain the spirit for the proper growth of the department.</p> <p>The Minister Textile & Handicrafts, Taloh also held a coordination meeting of the department to review various schemes of the department. Taloh expressed satisfaction over the implementation and took note of other issues confronted by district officers and assured to look into the matter positively.</p>	

<p align="center">TEXTILE MINISTRY MULLS POLICY INTERVENTION FOR JUTE</p>	<p align="center">Fibre2fashion.com http://www.fibre2fashion.com/news/textiles-policy-news/textiles-ministry-mulls-policy-intervention-for-jute-191467-newsdetails.htm</p>
<p>The Union ministry of textiles is considering policy intervention to promote the jute sector. This would include both long-term and short-term policy interventions to address issues affecting the sector, textiles secretary Rashmi Verma said after a meeting of the jute industry stakeholders in Kolkata. Union textiles minister Smriti Irani chaired the meeting.</p> <p>“We are trying to find out what can be done through long-term policy intervention to promote the (jute) sector. Separate brainstorming sessions will be held with mill owners and farmers,” Verma said. The government would also try to find solutions for short-term issues affecting the sector, for which it would hold detailed meetings with concerned stakeholders, she added.</p> <p>The meeting was attended by representatives of the Indian Jute Mills Association, trade unions, jute balers association, a farmers’ body and other stakeholders. Issues like intense competition and cheap import from Bangladesh were raised by jute mills, while jute balers raised the issue of receiving late payments from mills which causes delay in paying compensation to farmers.</p>	

US TEXTILE & APPAREL EXPORTS DOWN 7.66% IN JAN-JULY '16	Fibre2fashion.com http://www.fibre2fashion.com/news/textile-news/us-textile-apparel-exports-down-7-66-in-jan-july-16-191471-newsdetails.htm
<p>The exports of textile and apparel from United States were down 7.66 per cent year-on-year in the first seven months of this year. The value of exports stood at \$12.934 billion during January-July 2016 compared to \$14 billion in the corresponding period last year, according to data from the Office of Textiles and Apparel, US department of commerce.</p> <p>Category-wise, apparel exports declined by 8.5 per cent year-on-year to \$3.239 billion, while textile mill products dipped 7.37 per cent to \$9.694 billion during the first seven months of 2016.</p> <p>Among apparel, the highest growth of 15.33 per cent was registered in exports of men's and boys' woven shirts, whereas a maximum decline of 38.95 per cent was seen in exports of women's and girls' suits.</p> <p>Among textile mill products, yarn exports declined by 9.72 per cent year-on-year to \$2.648 billion, while fabric and made-up article exports decreased by 7.02 per cent and 5.06 per cent respectively to \$5 billion and \$2.045 billion.</p>	

TECHNOLOGY UPGRADATION FUND SCHEME FORMULATED TO FACILITATE TEXTILE SECTOR	Business Recorder http://www.brecorder.com/pakistan/industries-a-sectors/317324-technology-upgradation-fund-scheme-formulated-to-facilitate-textile-sector.html
<p>ISLAMABAD: The government has formulated a Technology Up-gradation Fund (TUF) Scheme to facilitate textile sector.</p> <p>Currently, the scheme is under process in State Bank of Pakistan, sources at Textile Industry Division said on Tuesday.</p> <p>Highlighting the measures introduced to facilitate the said sector, the sources said facility of duty free import of textile machinery will continue during 2016-17.</p> <p>The government had allocated Rs. 6 billion for Textile Policy initiatives for 2016-17 while support schemes would also continue during this year which include:</p> <p>Sales Tax of five export oriented sectors namely textile, leather, sports goods, surgical goods and carpets had been made part of zero rated tax regime from July 1, 2016 while all the pending sales tax refunds till April 30 whose RPOs have been approved, will be paid.</p> <p>The existing scheme on Drawback of Local Taxes (DLT) will also continue in 2016-17.</p> <p>The sources said in 2014-15, the government reduced mark-up rate on exports finance from 9.4 % to 7.5%. This rate was reduced in February 2015 to 6.0 %, and it was further brought down to 4.5 % from July 1, 2015.</p>	

<p>PAK'S TEXTILE MACHINERY IMPORTS SURGE TO US\$44MN IN FIRST MONTH OF THE FY</p>	<p>Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/pak%E2%80%99s-textile-machinery-imports-surge-us44mn-first-month-fy#.V9C0KVt97Dd</p>
<p>Pakistan's textile machinery imports have surged by six percent to US\$44 million in the first month of fiscal year 2016-17 on last year, as per new statistics from the Pakistan Bureau of Statistics.</p> <p>On a monthly basis, textile machinery imports in Pakistan went up from US\$42 million in July 2015.</p> <p>IGATEX Pakistan has become an increasingly significant textile and garment machinery and accessories exhibitions in South Asia with its scale setting new records year by year.</p> <p>Organizers of the annual IGATEX textile machinery and accessories exhibition in Pakistan are expecting successful 2017 and 2018 editions after announcing the date and venue for both shows.</p> <p>Speaking about the announcement of the next two shows, Saleem Khan Tanoli, CEO of FAKT Exhibitions (organisers of IGATEX Pakistan) said that this show has played a pivotal role in the development of Pakistan's textile industry by introducing efficient machinery to local manufacturers and the event is bound to bore succession and growth for the industry.</p>	

<p>CHINESE TEXTILE FIRM MAY INVEST \$100MN IN INDONESIA</p>	<p>Fibre2fashion.com http://www.fibre2fashion.com/news/textile-news/chinese-textile-firm-may-invest-100mn-in-indonesia-191479-newsdetails.htm</p>
<p>Jiangsu Dongqun Investment Holding, a China based textile and apparel manufacturer has articulated interest in investing \$100 million to build and start a textile production facility in Indonesia. This was informed by Indonesian industry minister Airlangga Hartarto, after a meeting with Jiangsu Dongqun officials at their headquarters in China.</p> <p>According to the minister, he offered various options to the company to set up the factory, including the Kendal Industrial Park in Central Java, since the park has lots of land and also offers skilled labour.</p> <p>"We also persuaded them to partner with Indonesian companies, while being committed to boost textile industry prospects with tax holidays, subsidies and lower gas prices," Airlangga said.</p>	

<p>PRIME MINISTER MAY DISCUSS TEXTILE INDUSTRY ISSUES WITH LEADERSHIP TODAY</p>	<p>Business Recorder http://www.brecorder.com/cotton-a-textiles/185/83488/</p>
<p>Prime Minister Nawaz Sharif is likely to discuss the textile industry issues with industry leadership after his visit to the stock exchange in Karachi on Thursday (today), said industry sources. Sources told Business Recorder that the prime minister will hold a meeting with the industry representatives to listen to their proposals for increase in exports.</p> <p>The PM had also discussed in detail the reasons behind \$4 billion drop in exports with the Federal Commerce Minister Khurram Dastgir Khan a day earlier. It may be noted that the textile industry is fast becoming unviable in Punjab due to multiple factors, leaving a good number of millers with no option but to close down mills for an indefinite period. The owners of sick units are seeking an exit policy from the government but of no avail. Meanwhile, the industry is demanding withdrawal of 4% customs duty, 5% sales tax on import of cotton and removal of duties and taxes on man-made fibres import. It has further sought extension of 5% of DLT to all textile exports from yarns to garments to overcome incidentals of taxes/levies/cess and various surcharges etc.</p> <p>The industry has another longstanding demand of issuance of a notification of electricity tariff determined by the NEPRA for 2015-16 without any additional surcharges/innovative taxes. Further, the industry is of the view that the electricity tariff should not be higher than Rs 8/KWh in any case.</p>	

<p>PERUVIAN TEXTILE SECTOR AIMS TO INCREASE EXPORTS OF COTTON AND ALPACA IN US</p>	<p>Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/peruvian-textile-sector-aims-increase-export-cotton-and-alpaca-us#.V9CyUft97Dc</p>
<p>At MAGIC 2016, the world's largest fashion exhibition held twice annually and attended by professionals from more than 80 countries. Nine Peruvian companies participated in the event. The most demanded Peruvian products were t-shirts, shirts for men, and woven garments for babies.</p> <p>The majority of buyers who contacted Peruvian exporters were from Canada, United States, and Mexico.</p> <p>The textile sector of Peru aims to increase their exports to the United States. In addition, they wish to position and strengthen their presence of cotton and alpaca industry in the US.</p> <p>The Peruvian companies collectively generated around US\$ 6 million between trade commitments and actual sales. They had a staggering increase of 88% in sales and projected sales compared to last August's exhibition.</p> <p>Immediate sales reached US\$ 262,500 and projected business for the next twelve months amounts to US\$ 5.7 million.</p> <p>The Magic, which took place in Las Vegas, Nevada included the current trends in apparel, footwear, accessories, and resources.</p>	

<p>NEW TEXTILE INVESTORS ENTER LOCAL MARKET</p>	<p>The New Times http://www.newtimes.co.rw/section/article/2016-09-08/203343/</p>
<p>The government has signed agreements with two investors to establish new clothing and shoe factories at the newly-demarcated 'Apparel Manufacturing Zone' at the Kigali Special Economic Zone.</p> <p>The first agreement was signed between the Ministry of Trade and Industry and Prime Economic Zones Ltd, for 5 hectares of land. The second was signed between the ministry and two investors in the apparel manufacturing industry (Albert Supplies Ltd and Rwantan Ltd). The Apparel Manufacturing Zone (AMZ) currently occupies 5 hectares in Kigali Special Economic Zone.</p> <p>The Government land is to be given to investors engaged in apparel production, requiring them to pay for it over a period of 20 years as a way of encouraging them to invest in the country.</p>	

<p>NEW GARMENT FACTORY IN 300 NIGERIAN STATE RECRUITS 300</p>	<p>Fibre2fashion.com http://www.fibre2fashion.com/news/manufacturing-news/new-garment-factory-in-nigerian-state-recruits-300-191466-newsdetails.htm</p>
<p>Around 300 applicants have been selected for employment at the Calabar Garment Factory, newly established in Cross River state in South Nigeria. The applicants were employed after they successfully cleared a job screening exercise carried out by the managers of the state-owned factory. Governor Ben Ayade visited the factory while the hiring process was on.</p> <p>The goal of the factory is to offer an opportunity to lead a better life to young men and women from the southern senatorial regions of the state who have faced challenging circumstances, said the governor, according to Nigerian media reports. Oluwa Summy Francis, the president and founder of Africa Young Entrepreneurs (AYE), who also visited the Calabar Garment Factory with the governor, said that the establishment of this factory is a demonstration of leadership in action.</p>	

<p>VIETNAM – 86% OF TEXTILE WORKERS MAY LOSE JOBS TO AUTOMATION</p>	<p>Staffing Industry Analysis http://www2.staffingindustry.com/row/Editorial/Daily-News/Vietnam-86-of-textile-workers-may-lose-jobs-to-automation-39241</p>
<p>Up to 86% of Vietnamese workers in the textile, clothing and footwear industry are at high risk of losing their jobs to automation in the near future, according to a recent survey by the International Labour Organization (ILO).</p> <p>Low labour productivity leads to greater automation, as the cost of using an automatic sewing machine will be 4-fold cheaper than using a worker by 2020, according to local media outlet Vietnam Breaking News.</p> <p>In Vietnam, the fashion sector invested heavily in automation technology in 2015. Accordingly, an automatic cutter can replace 15 workers while businesses can recover the investment cost within 18 months.</p>	