



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

NEWS CLIPPINGS 09-09-2016

GARMENT MAUFACTURERS QUESTION MOVE TO INCREASE FREIGHT CHARGES	The Hindu http://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/garment-manufacturers-question-move-to-increase-freight-charges/article9088460.ece
<p>Garment manufacturers and traders are questioning the logic of the planned move by truck owners to increase the rentals as a consequent to the recent increase in fuel prices.</p> <p>According to them, any more increase in the transportation charges could make the products from Tirupur knitwear cluster uncompetitive in the upcountry and North Indian markets. "The information received by us indicates that the truck operators are planning for an increase to the tune of Rs. 300 for every 100 km", said K.S. Babuji, secretary of Small Cotton Shirt and Inner Wear Manufacturers Association (SISMA).</p> <p>When contacted, Tirupur Lorry Owners Association president C.N. Ramsamy hinted at the possibility of increasing the charges, but stated that no decision was taken on the scale of hike.</p> <p>On the government side, the apparel manufacturers feel that the fuel sale prices were remaining so high only because of the exorbitant levy of taxes and duties.</p> <p>R.M. Senthilkumar, former chairman of Institute of Chartered Accountants of India (Tirupur chapter), do not see any possibility of government reducing the duties and taxes on the fuel as it was considered as a 'revenue generation tool' for the exchequer.</p>	

<p>E-COMMERCE DEALS DROPPED 90% IN AUG: E&Y REPORT</p>	<p>Fibre2fashion.com http://www.fibre2fashion.com/news/retail-chain-stores-news/e-commerce-deals-dropped-90-in-aug-e-y-report-191485-newsdetails.htm</p>
<p>A fall in e-commerce investments in August has caused the private equity (PE) and venture capital (VC) deals to drop by 37 per cent on a year-on-year basis, says a recent report. E-commerce deals dropped by 90 per cent in August as transactions worth \$55 million were made across six deals in the sector compared to \$554 million across 22 deals in August 2015.</p> <p>PE/VC deal tally dipped to 39 transactions amounting to \$1.01 billion, while the deal volume witnessed a decrease of 51 per cent compared to August 2015. Nevertheless, total investments touched the \$1 billion mark after three months this year, says the Ernst & Young report. In value terms, there was an increase of 13 per cent over July 2016.</p> <p>A marginally lower number of deals were carried out in startup and early stage segment, however, this number was the highest for this year in value terms with a \$175 million investment in Hike by Softbank, Tiger Global and Tencent.</p> <p>Merely three deals of \$100 million and above were made in August 2016, aggregating to \$440 million, which include a \$140 million investment in TCNS Clothing by TA Associates, a \$175 million investment in Hike and a \$125 million investment in Stellar Value Chain.</p>	

<p>LOW RETURNS KEEPING YOUTH AWAY FROM WEAVING</p>	<p>The Hindu http://www.thehindu.com/news/national/andhra-pradesh/low-returns-keeping-youth-away-from-weaving/article9082842.ece</p>
<p>Weaver families in Venkatagiri seek support to make the profession more profitable</p> <p>Under the handloom clusters initiated by the Central government, increased support is being given to weavers in regard to upgraded technology and latest accessories. But all these initiatives still fall short of the expectations of hundreds of weaver families in the textile town of Venkatagiri.</p> <p>Their chief concern is how to make their profession considerably remunerative and profitable so that the younger generation will not be forced to migrate to greener pastures or take to alternative professions.</p> <p>Even after the support being extended in the form of subsidies under the cluster concept and Direct Benefit Transfer (DBT), the beneficiary families are left with just Rs. 300 per day with little scope for betterment.</p> <p>Four new handloom clusters were reportedly sanctioned for Venkatagiri after the visit of a team of experts led by the All-India Handloom Board member Ponnaganti Appa Rao recently. Each cluster will receive funds of Rs. 2 crore. These funds would be used to create common facilities like community work sheds and provide subsidy to individual weaver members of the cooperative societies.</p>	

CHARITY TARGETS SPINNING MILLS IN INDIA, BANGLADESH TO END SLAVERY IN FASHION INDUSTRY	Daily Mail http://www.dailymail.co.uk/wires/reuters/article-3780824/Charity-targets-spinning-mills-india-Bangladesh-end-slavery-fashion-industry.html
<p>NEW DELHI, Sept 9 (Thomson Reuters Foundation) - One of the most effective ways to curb forced labour in the garment industry is to target cotton spinning mills, where workers can provide valuable information about the source of material in the fashion supply chain, an anti-slavery charity said on Friday.</p> <p>The apparel industry has come under pressure to improve factory conditions and workers' rights, particularly after the collapse of the Rana Plaza complex in Bangladesh more than three years ago, when 1,136 garment workers were killed.</p> <p>Following the tragedy, numerous initiatives were launched by global brands and charities to promote openness and safeguard employees, from ensuring the safety of buildings to providing better pay and working hours.</p> <p>But while most projects focused on farmers growing cotton in the fields or factory workers stitching clothes, few work with the spinning mills in the middle of the supply chain.</p>	

TECH TEXTILES SECTOR TO TOUCH RS 1.58-L-CR MARK IN FY17	The Financial Express http://www.financialexpress.com/economy/tech-textiles-sector-to-touch-rs-1-58-l-cr-mark-in-fy17/371514/
<p>Technical textiles industry is expected to grow at a rate of 20 per cent to reach Rs 1.58-lakh crore mark in the ongoing fiscal, a top Central Government official said today.</p> <p>However, the segment's potential remains largely untapped in India, the official added.</p> <p>"The government is taking growth of technical textiles on priority basis. The industry is expected to grow at 20 per cent to Rs 1,58,000 crore in FY17. Growing industrialisation, increasing access to medical care and huge infrastructure spending is expected to drive growth," Textile Commissioner Kavita Gupta said here.</p> <p>Over the last couple of years, India has been growing at a steady pace in the sector with perceptible signs of expansion being observed in a few specialised segments, she said this on the sidelines of Techtexil India Symposium 2016 which began here today.</p> <p>The global technical textiles market is expected to reach USD 193.16 billion by 2022. Growth of key end-use industries such as agriculture, construction, packaging and automotive in BRICS nations is expected to remain a key driving factor for global technical textiles market, the IAS officer said.</p>	

PAK GOVT FORMULATES TUF SCHEME TO FACILITATE TEXTILE SECTOR	Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/pak-govt-formulates-tuf-scheme-facilitate-textile-sector#_V9Fk2Vt97Dc
<p>The Pakistan government had allocated Rs. 6 billion for Textile Policy initiatives for 2016-17 while support schemes would also continue during this year which include 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.</p> <p>Further, all the pending sales tax refunds till April 30 whose RPOs have been approved, will be paid.</p> <p>The government has now formulated a Technology Up-gradation Fund (TUF) Scheme to facilitate textile sector. At present, 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 that facility of duty free import of textile machinery will continue during 2016-17.</p> <p>The existing scheme on Drawback of Local Taxes (DLT) will also continue in 2016-17.</p>	

MCM IN PARTNERSHIP WITH 3 PORTUGUESE FIRMS TO EXPAND TEXTILE BUSINESS	Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/mcm-partnership-3-portuguese-firms-expand-textile-business#_V9FIB1t97Dc
<p>Mozambique Cotton Manufacturers (MCM), yarn producer in partnership with three Portuguese companies, plans to invest about US\$35 million to set up weaving, dyeing, stitching and other support facilities to expand the textile business and will export these textile goods to newer export markets on the African continent, according to a statement issued in Maputo.</p> <p>MCM, consisting of Mozambican companies Intelec Holdings and Portuguese companies Mundotêxtil, Mundifios and Crispim Abreu, has invested nearly US\$20 million for the installation and operation of the units, and the amount now announced will serve mainly to add weaving, dyeing, sewing and other support equipment.</p> <p>The cotton used by MCM is provided by Plexus, a company present in the province of Cabo Delgado that aggregates the production of small farmers, Olam in Manica and Sofala, small operators in the centre of the country and across the country the João Ferreira dos Santos Group.</p> <p>The Director-General of MCM, André Vieira, said that the company is currently exporting 100% of production to Portugal and South Africa and is considering expansion to countries of the Southern African Development Community (SADC).</p> <p>Vieira also mentioned the US market, a country with which Mozambique has an agreement to facilitate exports.</p>	

<p>OFFICIAL SPOT RATE DECLINED TO IMPROVE BUSINESS ACTIVITY AT COTTON MARKET</p>	<p>Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/official-spot-rate-declined-improve-business-activity-cotton-market#.V9FmdVt97Dc</p>
<p>In the process of improved business activity at the cotton market, official spot rate declined further on Wednesday. The official spot rate was down by Rs 100 to Rs 5950, dealers said. Mills made fresh deals on declining rates.</p> <p>Prices of seed cotton in Sind and Punjab were at Rs 2500-3000, while in ready business, nearly 30,000 bales of cotton changed hands between Rs 5800-6200.</p> <p>Cotton analyst Naseem Usman said that textile industry is in losses, because exports of textile products are on decline, besides, reports of higher production in the cotton producing countries, causing fresh fall in the rates of cotton in the local market.</p> <p>Some market analysts said that comfortable supply position and falling prices of cotton yarn are causing continued to fall in the prices.</p>	

<p>TRADE UNIONS IN CAMBODIA DEMAND 30% WAGE HIKE FOR 2017</p>	<p>Fibre2fashion.com http://www.fibre2fashion.com/news/manufacturing-news/trade-unions-in-cambodia-demand-30-wage-hike-for-2017-191499-newsdetails.htm</p>
<p>Ahead of the wage discussions for 2017, schedule to begin on September 9, garment and footwear trade unions in Cambodia are demanding 30 per cent hike. The negotiations would be carried out by a tripartite working group consisting of representatives of trade unions, the ministry of labour, and the Garment Manufacturers Association in Cambodia (GMAC).</p> <p>In recent years, the minimum wage in Cambodian garment and footwear sector has increased significantly from \$66 per month in 2012 to \$140 per month at present. The trade unions have agreed to demand \$179.60 as the monthly minimum wage for 2017, according to IndustriALL Global Union.</p> <p>“I think this number (\$179.60) is still not enough yet, but we cannot demand higher than this because of our economic and political situation, and investment is limited,” said Ath Thorn, president of IndustriALL affiliate, the Coalition of Cambodian Apparel Workers' Democratic Union.</p> <p>The common wage demand of \$179.60 has been agreed by 17 unions, including FES and the American Center for International Labor Solidarity. The new demand has been determined based on living costs, inflation and social factors, the statement said.</p>	

<p>MoU SIGNED BETWEEN IDC, MARUBENI AIMS TO REHABILITATE MULUNGUSHI TEXTILE</p>	<p>Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/mou-signed-between-idc-marubeni-aims-rehabilitate-mulungushi-textiles#.V9FuFt97Dc</p>
<p>The signing of memorandum of understanding (MoU) between Industrial Development Corporation (IDC) and a Japanese company Marubeni with expertise in the textile industry at the just ended sixth session of the Tokyo International Conference on African Development (TICAD) in Nairobi, Kenya, aims to rehabilitate Mulungushi Textiles Limited is good for Kabwe and the province as a whole.</p> <p>It is also expected that with the MoU in place, Zambia can buy equipment from Japan to revamp the plant.</p> <p>And under the umbrella of TICAD, the IDC will access financing to support the running of the Mulungushi Textiles project through the Japanese Bank for International Cooperation.</p> <p>This is good news for the people of Kabwe and surrounding areas because once operational, the factory will open windows for a variety of opportunities for the people.</p> <p>Mulungushi Textiles, once a giant company accounting for the majority of working people in the formal sector, is a relief for many youths struggling to find jobs.</p> <p>This will completely change the economic landscape for the town and could just mark the turnaround for the local economy, which has been yearning for investments for a long time now.</p>	

<p>BANGLADESH PLANS CELL TO OVERSEE SAFETY IN GARMENT UNITS</p>	<p>Fibre2fashion.com http://www.fibre2fashion.com/news/manufacturing-news/bangladesh-plans-cell-to-oversee-safety-in-garment-units-191483-newsdetails.htm</p>
<p>Bangladesh will set up a Remediation Co-ordination Cell to oversee the post-inspection safety activities in its garment industry, which has witnessed major tragedies in the last few years. This comes following a recent meeting of diplomats of various countries, where they expressed dissatisfaction over insignificant progress in the remediation process.</p> <p>Various global organisations had initiated safety inspection activities in the thousands of garments units after the collapse of the eight-storey Rana Plaza building in 2013, which killed more than 1,100 people and injured many others.</p> <p>Now, that the inspection work has been nearly completed, diplomats from major garment importing countries have been calling for establishing a separate cell, to ensure safety and security of workers in the garment factories.</p> <p>According to an official statement from the Ministry of Labour and Employment, the Remediation Co-ordination Cell will start functioning in 2018, which would provide all necessary support to the garment sector for maintaining standard, safety and security.</p>	