



The Southern India Mills' Association

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NEWS CLIPPINGS 13-09-2016

SISPA URGES GOVT TO FRAME COMPREHENSIVE FIBRE POLICY	Fibre2fashion.com http://www.fibre2fashion.com/news/fibre-news/sispa-urges-govt-to-frame-comprehensive-fibre-policy-191561-newsdetails.htm
<p>Coimbatore based South Indian Spinners Association (SISPA) has urged the Union government to frame a comprehensive cotton and synthetic fibre policy. The policy should contain measures that benefit cotton growers and help in sustainable growth of the spinning industry, thereby creating millions of new jobs while fetching additional revenue to the exchequer.</p> <p>The enforcement of single Goods and Services Tax (GST) would benefit the entire textile value chain, the association said at its 25th annual general meeting (AGM). The spinners' body also requested the Centre to direct concerned departments to keep 50 lakh bales of cotton as buffer stock.</p> <p>The association urged the Tamil Nadu state government to amend laws to permit low tension electricity consumers purchase power from private companies. It also requested the government to accept the spinning industry's long-standing request to remove one per cent market committee cess on cotton and waste cotton.</p> <p>The AGM elected K Rangarajan as SISPA president for a two-year team from 2016-18, while N Murugesan, J Selvan and S Jagadesh Chandran were elected vice presidents.</p>	

திருப்பி அனுப்பப்பட்ட கைத்தறி சீருடைத்துணிகள் முடங்கும் நெசவாளர் கூட்டுறவு சங்கங்கள்	Dinamalar http://www.dinamalar.com/news_detail.asp?id=1605406
<p>ஆண்டிபட்டி: ஆண்டிபட்டியில் கைத்தறிகளில் உற்பத்தியான சீருடைத்துணிகளின் தரம் குறைந்து இருப்பதாக கூறி கொள்முதல் செய்யாமல் கோ-ஆப்டெக்ஸ் நிறுவனம் திருப்பி அனுப்பியது. இதனால் நெசவாளர் கூட்டுறவு சங்கங்கள் முடங்கும் நிலைக்கு தள்ளப்பட்டுள்ளன.</p>	

ஆண்டிபட்டி தாலுகா சக்கம்பட்டி, டி.சுப்புலாபுரம் பகுதியில் ஆயிரத்துக்கும் மேற்பட்டவர்கள் கைத்தறி தொழிலை நம்பி உள்ளனர்.

இங்குள்ள ஏழு கைத்தறி நெசவாளர்கள் கூட்டுறவு சங்கங்கள் மூலம் ஆண்டுமுழுவதும் வேலை வாய்ப்பு பெறுகின்றனர்.

ஏப்ரல் முதல் டிசம்பர் வரை உள்ள காலத்தில் அரசின் இலவச சேலை உற்பத்திக்கான ஆர்டர் பெறப்பட்டு தொழில் செய்கின்றனர். கூடுதல் தேவைக்கு அரசின் சீருடை உற்பத்தி திட்டம் மூலம் துப்பட்டா துணிகள் உற்பத்தி செய்கின்றனர்.

இலவச சேலைகள் அரசு மூலம் கொள்முதல் செய்யப்பட்டு, அதற்கான கூலி நெசவாளர்களுக்கு அவ்வப்போது வழங்கப்படும். உற்பத்தி செய்யப்படும் சீருடைத்துணிகள் கோ-ஆப்டெக்ஸ் மூலம் கொள்முதல் செய்யப்பட்டு, அதற்குரிய பணம் மற்றும் நூல் போன்றவை நெசவாளர் கூட்டுறவு சங்கங்களுக்கு வழங்கப்படும்.

CENTURY MAY MERGE TEXTILE BIZ WITH ADITYA BIRLA FASHION	Business Standard http://www.business-standard.com/article/companies/century-may-merge-textiles-biz-with-aditya-birla-fashion-116091201037_1.html
<p>Century Textiles and Industries, once a star among Indian investors, is looking to demerge its textile business. It may merge it with Aditya Birla Fashion & Retail (ABFRL) to bring the entire textile and fashion business of the Aditya Birla Group under one roof.</p> <p>In the past one year, ABFRL itself has undergone major restructuring under which the fashion business of Aditya Birla Nuvo - comprising Madura Garments - was merged with the company, making it the largest fashion retail player, with consolidated revenues of Rs 12,000 crore.</p> <p>Century earned about Rs 1,817 crore, or 8.6 per cent of total revenues, from its fabrics and denim business and is a supplier to ABFRL. Analysts said, with a new management led by Birla Group chairman Kumar Mangalam Birla now taking charge, a restructuring of its businesses is now inevitable. After raising their stake through a preferential offer, the Birlas have consolidated their grip over the company by inducting Rajshree Birla on the board of Century Textiles in May last year. Kumar Mangalam Birla is vice-chairman of the company, even as present chairman B K Birla is unable to look after the day-to-day affairs of the group due to failing health.</p> <p>Analysts said Century Textiles' financial metrics have declined, mainly due to its high debt, which shot up from Rs 2,621 crore in FY11 to Rs 5,320 crore in FY16. The interest costs have corroded its profit after tax, which fell from Rs 237 crore in FY11 to a loss of Rs 54.5 crore in FY16 (see chart). Besides, due to falling demand and pressure on selling prices of cement, the financial performance of cement units has also suffered. "Going by the pressure on financial metrics, a restructuring or outright sale of some businesses is only a matter of time," said an analyst.</p>	

**SURAT'S CIVIC BODY TAKES
SMART WATER INITIATIVE
FOR TEXTILE MILLS**

The Times of India

<http://timesofindia.indiatimes.com/city/surat/Surats-civic-body-takes-smart-water-initiative-for-textile-mills/articleshow/54298733.cms>

SURAT: The Surat Municipal Corporation (SMC) is taking smart initiatives for the country's largest man-made fabric (MMF) sector.

In a latest decision, the civic body has decided to upgrdate its existing tertiary treatment plant (TTP) at Bamroli by increasing the capacity at 40 million liters per day (MLD). The new facility will supply additionally 40 MLD water to the textile dyeing and printing mills at Pandesara GIDC.

For this, the civic body will be spending Rs 100 crore for the construction of the TTP plant at Bamroli. The waste water will be collected through pipelines and brought to the TTP, where it will be treated as per the industrial grades.

There are around 325 dyeing and printing mills at Sachin, Pandesara, Kadodara and Palsana. Pandesara GIDC has the highest presence of 100 dyeing and printing mills. The total turnover of the dyeing and printing mills is pegged at Rs 125 crore per day. Pandesara GIDC has 100 dyeing and printing mills that need round the clock water supply. Bore well water is not suitable to maintain quality in textile industry. Industries need 85-90 MLD water. As present 100 MLD tertiary plant of SMC at Bamroli is capable to supply about 40 MLD treated waste water to industries, the industrialists in Pandesara have requested SMC to set up second 40 MLD capacity tertiary plant.

**TIME TO REVIVE KHADI MARKET
IN INDIAN TEXTILE INDUSTRY**

Yarnsandfibres.com

<http://www.yarnsandfibres.com/news/textile-news/time-revive-khadi-market-indian-textile-industry#.V9dNWft97Dd>

The Indian textile industry, which caters to clothing need which has an estimated market size of \$108 billion is divided into two broad segments within the industry, namely the traditional hand-woven and hand-spun textile segment, and the modernized mill. Khadi is defined as any cloth woven on handlooms and hand-spun from cotton, woolen or silk yarns in India or the combination of two or all of these yarns, as per the Khadi and Village Industries Commission Act 1956.

The government has spent huge sums of money for the promotion of khadi programme as plan and non-plan amounts. The khadi institutions registered under Khadi and Village Industries Commission (KVIC) are subsidized significantly (at an interest rate of 4 percent) through a scheme called the interest subsidy eligibility certification (ISEC) introduced in 1977. In spite of all this, the khadi market still constitutes only 1 percent of the Indian textile market.

KVIC undertakes sales activities through its 12 departmentally-run khadi gramodyug bhavans and around 7,050 institutional sales outlets (certified by KVIC) located in different parts of the country. There, discounts on khadi apparel fixed by the MSME can be availed. The discounts decided by the ministry are aimed at making the khadi products available at

cheaper prices.

Also the khadi artisans contracted by the khadi institutions are piece-rate workers who get the pay rate for the amount of output made, decided by the khadi institutions separately, based on the minimum wage rate fixed by KVIC over different time periods. In addition to the wages, the MSME has implemented different measures for the economic empowerment of the poor artisans through KVIC like market development assistance schemes. There is assistance provided at 20 percent of the production value under this scheme to the khadi institutions among which there is mandatory allocation of 25 percent to artisans as incentives along with the wages.

Due to this, there is unavailability of the spinners and weavers willing to work in this sector now. The young generation, who are more educated, is not willing to work in this sector due to the low wages and the hardships involved, while those who remain in this sector are mostly the old workers who do not have any other choice for their livelihood.

**ODISHA TO SET UP
EXPORT PROMOTION
COUNCILS**

Fibre2fashion.com

<http://www.fibre2fashion.com/news/textile-news/odisha-to-set-up-export-promotion-councils-191558-newsdetails.htm>

The Odisha state government has asked various departments to set up export promotion councils on various products including textiles, handlooms and handicrafts. To boost the state's export potential, the government is also considering setting up of Raptani Bhawan, showcasing exportable products of the state in prominent cities of India and abroad.

The decision to set up export promotion councils was taken at the first empowered committee meeting constituted for guiding and monitoring implementation of the Odisha export promotion policy. The meeting chaired by chief secretary AP Padhi directed various departments including textile, handloom and handicraft, to set up the councils in their respective department offices in Bhubaneswar, an official statement said.

The meeting also discussed setting up of Raptani Bhawan, implementation of a new state assistance scheme for creation of export infrastructure, and supply of raw material to exporters through Odisha Small Industries Corporation.

Other issues like waiver of entry tax on silk products, and adoption of organic farming were also discussed in the meeting.

Odisha exported goods valued at Rs 17,346 crore in fiscal 2015-16, and the state has set a target to achieve Rs 21,559 crore in export value for the current year.

<p>YFA 2016 MSME EXHIBITORS CAN AVAIL UP TO 90% GOVT SUBSIDY</p>	<p>Fibre2fashion.com http://www.fibre2fashion.com/news/textile-news/yfa-2016-msme-exhibitors-can-avail-up-to-90-govt-subsidy-191554-newsdetails.htm</p>
<p>Exhibitors at the second edition of the Yarn, Fabric & Accessories Trade Show (YFA) 2016, scheduled for November 23-26, 2016, are now eligible to avail subsidies offered by the National Small Industries Corporation (NSIC). Participating MSME units can claim 60-95 per cent subsidy under various categories of Marketing Assistance Scheme (MAS) of NSIC.</p> <p>YFA 2016 aims to redefine the way fibres, yarns, fabrics and apparel accessories are sourced and bring renowned suppliers from the these four segments closer to buyers and also offer buyers a one-stop place to source all their requirements.</p> <p>YFA 2016 will see exhibition space doubling from one hall to two halls in the 2016 edition. Additionally, WGSN, the global authority on fashion trends will be the Trend Partner.</p> <p>There will be a special Chinese Pavilion, where around 40 Chinese exhibitors will showcase yarns, fabrics and garment accessories. A special highlight of YFA 2016 is the Denim Zone, which will see 20 top Indian denim fabric makers exhibiting their denim innovations.</p> <p>The fair is organised by Vision Communications, supported by the Northern India Textile Mills Association (NITMA) with AEPC (Apparel Export Promotion Council), TA(I) (Textile Association of India), PDEXCIL (Power loom Development Export Promotion Council), CMAI (Clothing Manufacturers Association of India), FOHMA (Federation of Hosiery Manufacturers Association), NAEC (Noida Apparel Export Cluster), NITRA (Northern India Textile Research Institute), U.P. Apparel Exporters Association and PTA Users Association as supporting associations.</p>	

<p>WEAVERS URGED TO ADOPT MODERN TECHNIQUES</p>	<p>The Assam Tribune http://www.assamtribune.com/scripts/detailsnew.asp?id=sep1316/state051</p>
<p>Director of the Indian Institute of Entrepreneurship (IIE), Monoj Kumar Das has called upon the artisans, especially handloom weavers of the State to replace their traditional practices and adopt modern techniques so that the traditional products and designs could be diversified for getting more income from the products.</p> <p>Addressing a 'Hatsakala Shilpa Welfare Programme' under Scheme of Fund for Regeneration of Traditional Industries (SFRUTI) sponsored by the Ministry of Micro, Small and Medium Enterprises (MSME) and organised by Integrated Rural Artisans Development Organisation (IRADO) in association with the Indian Institute of Entrepreneurship (IIE) at Sikarhathi near here on September 10, the Director, IIE, said that artisans of Assam need to work at least 10,000 hours in their looms and machines so that they can develop their skills and become doctorates (master trainers) in their trade and produce attractive</p>	

products to attract the customers and earn better profits.

The director said that handloom sector in Assam occupies an important position in India and there are 18 lakh weavers in Assam out of 44 lakh weavers all over India and hence, handloom weavers in Assam should take the advantage of their strength and try to develop their skills with great interest by replacing their traditional designs. He asked the artisans, including weavers, to adopt the latest proven technology and get exposed to new improved machines in order to develop their products and earn better livelihood by sale of the improved products.

“Handloom and organic items are the most sought-after items in the domestic and international markets and the weavers of Assam should take this advantage of growing demand for their products,” said the director.

**GARMENT MANUFACTURERS
CALLED TO GET REGISTERED
UNDER IHB**

Yarnsandfibres.com

<http://www.yarnsandfibres.com/news/textile-news/garment-manufacturers-called-get-registered-under-ihb#.V9dNblt97Dd>

The Office of the Development Commissioner for Handlooms has invited bids from reputed Garment manufacturer-cum-Retailers for registering their garments under ‘Garment Manufacturer’ category of the Indian Handloom Brand (IHB) giving an opportunity to MSMEs in textile sector to get associated in IHB and retailing of IHB Garments in their own chain of retail stores.

The Office of Development Commissioner for Handlooms will facilitate the sourcing of IHB fabrics from the IHB registered manufacturers and promote the marketing of IHB garments in the stores through publicity in various media.

Office of the Development Commissioner for Handlooms in its bidding document stated that the Garment manufacturer-cum-retailer will mandatorily affix label with IHB logo and registration number on their products so that the customer can track the genuineness of IHB label. The registration is valid for 3 years and has to renew thereafter by following the above said procedure.

The manufacturer must have chain of retail stores and they should set aside an exclusive area for showcasing IHB branded products only.

The partnership will be valid for 2 years from the date of approval. The partnership will be reviewed after a period of 2 years for further extension depending on sales achieved and commercial terms offered to the IHB handloom fabric manufacturers.

<p>AMRAVATI TO BE MADE INTERNATIONAL TEXTILE CENTRE: FADNAVIS</p>	<p>Fibre2fashion.com http://www.fibre2fashion.com/news/announcement/amravati-to-be-made-international-textile-centre-fadnavis-191553-newsdetails.htm</p>
<p>The Maharashtra state government wants to make Amravati an international textile centre, with many textile and spinning centres in the adjoining districts in Vidarbha. This was disclosed by chief minister Devendra Fadnavis during bhoomipujan of Gimatex Industries' first Integrated Textile Park in Vidarbha and new extended spinning unit at Hinganghat.</p> <p>“We want to make Amravati the international textile centre and the adjoining districts in Vidarbha will have many textile and spinning centres. Every unit will pave way for ally and ancillary operations providing new avenues of work to local youth,” Fadnavis said.</p> <p>He said more textile hubs will have to be established across the state and Vidarbha region be made its epicenter so all cotton grown in the area is procured and processed within the state.</p> <p>“At present, only 25 per cent of the cotton produced is being processed. There is huge potential for textile growth as 75 per cent of the cotton available remains untapped and under-utilised in industrial sectors,” the chief minister said.</p>	

<p>INDIA NEEDS A COMPREHENSIVE COTTON POLICY: NITMA</p>	<p>Fibre2fashion.com http://www.fibre2fashion.com/news/cotton-news/india-needs-a-comprehensive-cotton-fibre-policy-nitma-191546-newsdetails.htm</p>
<p>The Northern India Textile Mills' Association (NITMA) has urged the government to create a comprehensive cotton fibre policy. The association believes that ensuring sufficient stock to use ratio for cotton fibre and providing the fibre throughout the year at international spot prices can put an end to the challenges being faced by the struggling industry.</p> <p>NITMA also recommends the government to avoid getting involved in the manufacturing process of ginning and directly pay the difference between minimum support price (MSP) and market price to the farmer. A roadmap is required to improve cotton yield and its quality, and revamping the role of Cotton Corporation of India (CCI) and Cotton Advisory Board (CAB) can help meet the objectives.</p> <p>One of the main concerns for the industry is that the country does not have sufficient surplus cotton. India's competitors like Pakistan, Bangladesh, China and Vietnam among others buy 20 to 30 per cent of the crop, forcing India to import it at relatively high prices at the end of the season. Moreover, sowing has taken a hit of 10 to 15 per cent in the current season and there is no proper mechanism for measuring crop arrivals and forecasting crop.</p>	

HOW RWANDA CAN BOOST THE TEXTILE INDUSTRY

New Time

<http://www.newtimes.co.rw/section/article/2016-09-13/203465/>

In 2015, government moved to phase out importation of used clothing and footwear. The aim was to achieve self-reliance and boost local production.

According to Francois Kanimba, the Minister for Trade and Industry, the decision to ban used clothes emanated from the need to promote local production, among others. It was discovered that import of used clothes was stifling local production.

According to experts, the importation of used clothes only meant continuous suffocation of the local textile industry.

As a measure to protect the local textile industry, this year, government through the Ministry of Finance and Economic Planning increased taxes on used clothes from \$0.20 to \$2.50 per kg.

Equally, import tariffs on used footwear were raised from \$0.50 to \$5 per Kg a decision that took effect on July 1st 2016.

COTTON INC TO DEVELOP TEXTILE DYES FROM COTTON BIOMASS FOR DYEING COTTON

Yarnsandfibres.com

<http://www.yarnsandfibres.com/news/textile-news/cotton-inc-develop-textile-dyes-cotton-biomass-dyeing-cotton#.V9dNhFt97Dd>

Cotton Incorporated will be presenting fabric samples dyed with the EarthColors cotton-derived dye at the Premiere Vision trade fair taking place in Paris, France September 12 through 14. The new dye uses by-products of cotton harvesting as a base instead of oil to give knit and woven cotton fabrics dyed in a variety of warm, soft, natural brown shades. The new dyes offer both sustainability and traceability for retailers and brands.

Cotton Inc and Archroma have joined forces to develop the first ever cellulosic textile dyes derived from cotton biomass, the technology to dye cotton from cotton. It is the latest addition to Archroma's 'EarthColors' range of sulphur-based dyes that are derived from waste biomass, as opposed to being synthesized using oil-based derivatives.

A new dyestuff based on cotton waste which can be used to dye cellulosic fabrics has been developed by Archroma in conjunction with Cotton Inc., the US-based cotton research and promotion organization which challenged the Swiss textile chemical business to develop a dye that may represent the very first dye derived from cotton plant-residues.

Cotton Incorporated said that the new patented technology addresses two key concerns of the textile industry: sustainability and traceability. These sulphur-based dyes are designed for use on cellulosic fibres, such as cotton, but while most dyes in the textile industry are synthetic, using petrochemicals (oil) as a base, EarthColors is a biosynthetic alternative that utilises natural waste from the agricultural or herbal industry.

RWANDA: NEW TEXTILE FIRMS ENTE RWANDA	All Africa http://allafrica.com/stories/201609120562.html
<p>Two companies have now entered the Rwandan textile market as the country prepares to phase out secondhand clothes and shoes.</p> <p>Guangzhou-based textile investor Albert Supply Ltd, and Burundian leather products manufacturer Rwantan Ltd have acquired 2.5 hectares in Kigali's Special Economic Zone, on a 20-year sub-lease agreement with the government.</p> <p>"We want production to start by July next year," said Albert Nsengiyunva of Albert Supply Ltd, who has pledged to invest up to Rwf10 billion (\$12.9 million).</p> <p>After the region announced plans to phase out secondhand clothes, Rwanda increased tax on used clothes and shoes.</p> <p>There are few local producers of affordable quality garments and shoes to serve the local market; Utexrwa, the government's only garment maker, does not have the capacity to meet the quality and volumes demanded.</p> <p>In the recent budget, taxes on used clothes increased by 1,150 per cent -- from \$0.2 per kilogramme to \$2.5 per kilogramme, raising their prices to the consumer. Taxes on used shoes went up by 900 per cent, from \$0.5 per kg to \$5 per kg.</p>	

HYOSUNG PLANS TO GROW VIETNAM AS ITS LARGEST PRODUCTION BASE FOR TEXTILE	Yarnsandfibres.com http://www.yarnsandfibres.com/news/textile-news/hyosung-plans-grow-vietnam-its-largest-production-base-textile#.V9dNTFt97Dd
<p>Hyosung Group already number one in many business areas in Korea is looking to expand into additional markets around the world. Hyosung's head of Strategic Headquarters (president) Cho Hyun-joon at the meeting with Vietnamese leaders on September 9 said that Hyosung has grown Vietnam as its largest production base in the world for products such as spandex and tire cord with highest market shares by focusing its investment on the southern part of Vietnam.</p> <p>Hyosung has made an investment of about US\$1.2 billion (approximately 1.327 trillion won as for the accumulated records) in an industrial cluster at a distance of one hour from Ho Chi Minh since 2007 to establish its main production base specifically for overseas exports.</p> <p>It employs about 6,000 locals and accounts for some 0.7% of the country's yearly export amount, making a significant contribution to its economy.</p> <p>Dinh La Thang, general secretary of the Communist Party of Ho Chi Minh City, said that Hyosung has created quality jobs in Vietnam. They hope Korean businesses will be active to make investment for the development of Ho Chi Minh.</p> <p>The textile business made Hyosung into a world renowned textile company, and it is</p>	

recognized around the world for its technology, customer service and quality. Today, Hyosung's textile lead the world textile industry with its spandex, polyester and nylon yarn, textiles and dyed products.

TEXTILE FORUM 2016 TO OFFER BETTER LUXURY FABRIC SELECTION

Fibre2fashion.com

<http://www.fibre2fashion.com/news/textile-news/textile-forum-2016-to-offer-better-luxury-fabric-selection-191548-newsdetails.htm>

Textile Forum which starts from October 12-13, 2016 will offer a better selection of luxury fabrics than those seen in earlier editions of the trade show. On display, will be more than 80 collections, which include woollens, silks, laces, cottons, prints and leathers, meant for daywear, eveningwear, bridalwear, lingerie, childrenwear and accessories.

Apart from fabrics, Textile Forum includes suppliers of buttons, zips, labels and sampling and small garment manufacturing job working units.

Also on show is a display of costumes designed by students from Nottingham Trent University and a raffle being held in aid of the show's charity partner the Fashion & Textile Children's Trust.

According to the organisers, irrespective of currency fluctuations and uncertainty over what the future will bring after Brexit, it is business as usual for the exhibitors participating in Textile Forum.

TPP TO BOOST VIETNAMESE GARMENT EXPORTS TO MEXICO

Fibre2fashion.com

<http://www.fibre2fashion.com/news/apparel-news/tpp-to-boost-vietnamese-garment-exports-to-mexico-191560-newsdetails.htm>

The Vietnam Textile and Garment Association (VITAS) and Mexico's National Chamber of Textile Industry (Canaintex) expect the value of Vietnamese exports to Mexico to double in 3-4 years after the Trans-Pacific Partnership (TPP) is implemented. This is because tariff on Vietnamese goods exported to Mexico would fall to zero from the current 30 per cent.

To lay foundation for bilateral garment cooperation between the two countries, a delegation from Canaintex recently visited Vietnam. The team visited several factories and a garment and textile industrial park during their one week stay.

Once TPP agreement comes into effect, Vietnam's garment and textile exports will rise sharply and its market share in TPP member countries would increase substantially due to preferential tax policies, Canaintex representatives said.

Vietnam has targeted to increase its garment and textile exports from \$28 billion at

present to \$50 billion by 2020, according to VITAS. Of the \$28 billion, nearly \$11 billion worth of garments were exported to the US, another TPP member country, last year.

**VIETNAMESE GARMENT
EXPORT ORDERS SEES
DECLINE FROM FOREIGN
PARTNERS**

Yarnsandfibres.com

<http://www.yarnsandfibres.com/news/textile-news/vietnamese-garment-export-orders-sees-decline-foreign-partners#.V9dMjlt97Dc>

Thanh Cong Garment, one of a few Vietnamese garment companies which owns a yarn – fabric – garment production line having strong demand from South Korea and the US, its key markets, sees contracts decrease from foreign partners considerably in the first six months of the year.

Regarding consumption, Thanh Cong has stable consumption outlets as its large shareholder - Eland Asia Holding Pte Ltd – is usually responsible for 60 percent of the company's output. However, even with great advantages and support, Thanh Cong, like other enterprises in the industry, is still meeting difficulties.

The annual revenue from fabric accounts for 10 percent of net revenue, while yarn brings 30-40 percent and garment 50 percent of revenue.

Its revenue in the first six months of the year increased compared with the same period last year, but its post-tax profit dropped sharply by 42 percent from VND86 billion to VND50 billion. The company's business efficiency also fell, with gross margin down.

In yarn production, Thanh Cong took a loss with the gross margin of minus 5 percent. The selling price has stayed unchanged for a long time, while input material prices have been increasing sharply since the first quarter of the year.

In garments, Thanh Cong's key factory in Vinh Long province, continued taking a loss of \$250,000-300,000 a month because revenue from the US, its major market, was modest, which could not cover the expenses.