



## The Southern India Mills' Association

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<b>JOB WORKING UNITS CAN CLAIM DUTY BENEFITS UNDER EPCG SCHEME</b>	<b>The Times of India</b> <a href="http://timesofindia.indiatimes.com/city/coimbatore/Job-working-units-can-claim-duty-benefits-under-EPCG-scheme/articleshow/54491190.cms">http://timesofindia.indiatimes.com/city/coimbatore/Job-working-units-can-claim-duty-benefits-under-EPCG-scheme/articleshow/54491190.cms</a>
<p>COIMBATORE: The union commerce ministry's decision to allow job working units to claim duty benefits for fulfilling export obligation under the EPCG (export promotion capital goods) scheme has brought cheer to garment exporters in Tirupur.</p> <p>"It is hereby clarified that in the context of common service providers under the EPCG scheme dealt with in Para 5.02 of the FTP (foreign trade policy) the definition of service provider includes job workers," said Kumar Rahul, deputy director general of foreign trade.</p> <p>"This is a great relief for job working units in Tirupur. No licences were issued under the EPCG scheme in the last one year for job working units due to the interpretation that the licence holder has to fulfill obligation only through their own exports," said Raja M Shanmugham, state council member, CII.</p> <p>Job working units were claiming exemption irrespective of direct linkage with exporters earlier, he said. But following complaints of misuse the DGFT stopped issuing licences to job working units. Job working units are the backbone for garment exports in the knitwear town. But they were claiming duty benefits under the EPCG scheme through exporters as they do not engage in direct export of garments. "Only about 30 garment exporting units are having integrated facilities and others are depending on job working units only for their manufacturing activities," said A Sakthivel, president, Tirupur Exporters' Association (TEA). More than 250 job working units do knitting, dyeing, compacting, printing, embroidering and labeling work in Tirupur</p>	

<b>EXPECT COTTON PRICES MAY TREND SIDWAYS TO DOWN: ANGEL</b>	<b>Money Control</b> <a href="http://www.moneycontrol.com/news/brokerage-recos-commodities/expect-cotton-prices-may-trade-sidways-to-down-angel_7508521.html">http://www.moneycontrol.com/news/brokerage-recos-commodities/expect-cotton-prices-may-trade-sidways-to-down-angel_7508521.html</a>
<p>Cotton complex closed lower on Thursday on profit booking. However, lower supplies from new season crop and expectation of lower cotton production in the country may support prices. NCDEX Kapas for Apr'17 closed 1.14% down while MCX Oct'16 cotton closed down by 0.81%. India, which was the largest producer of cotton in 2014-15, has seen the crop stock dwindle, leading to competition between exporters and the textile industry, which has been forced to import at the end of the season. India's exports will be at their lowest level since 2008/09 falling 30 % or 1.9 million bales in 2015-16.</p> <p>As per latest estimate by government, cotton is planted in 102 lh in the country, down by 11.3% against 115.2 lh last year as on 16 Sep. In Gujarat, the top cotton producing state, the crop had been across 23.8 lh ,down 13.8% from a year ago. In Maharashtra, the largest area under cotton, the acreage was at 38.0 lh, slightly down from around 38.2 lh a year ago. According to USDA, cotton production in the country expected at seven-year low in 2016-17 of 5.8 mt due to lower area under cultivation and pest attacks in top producer states.</p> <p>Cotton futures edged higher on Thursday to a six-week high, supported by a weaker dollar and strong exports sales data, but gains were capped as traders cashed in on this week's rally. There are also concerns that rain may delay crop harvest in top producer China. Rains led to crop damage in cotton producing regions in the U.S. Midwest and expected to hurt the natural fiber crop in West Texas. The market also factored in a weekly export sales report from the U.S. Department of Agriculture (USDA), which showed net upland sales totaled 197,900 running bales for the week ended Sept. 15, up 45 per cent from the prior week.</p>	

<b>TEXTILE MINISTRY PREPARING PLAN TO PROMOTE HANDICRAFTS, TRIBAL COMMUNITIES: SMRITI IRANI</b>	<b>The Financial Express</b> <a href="http://www.financialexpress.com/economy/textile-ministry-preparing-plan-to-promote-handicrafts-tribal-communities-smriti-irani/388550/">http://www.financialexpress.com/economy/textile-ministry-preparing-plan-to-promote-handicrafts-tribal-communities-smriti-irani/388550/</a>
<p>The government through convergence of various ministries is working on a plan to promote tribal, handicrafts community and fill the various gaps, Union Textile Minister, Smriti Irani said at an ASSOCHAM event held in New Delhi today.</p> <p>"I had a meeting three days ago with the minister in-charge for tribal affairs and we are propagating a plan between two ministries so that there is convergence of effort to ensure things like uniqueness of their craft, the fact that they have challenge of not understanding the amount of opportunity the market has to offer to them, social challenges with regards to education, healthcare are met including housing," said Irani while inaugurating an 'ASSOCHAM Global Investors' India Forum.'</p> <p>"So we are preparing a plan to ensure, not only in the tribal community but in the handicrafts community per se, we have these interventions with convergence of various ministries and we reach out," she added.</p> <p>"I think one of the biggest challenges in the handicrafts sector as I have said, is that those who were interested in their care between the central and state government or between state government and administration at the district level, the gaps arose in those areas which have not been filled for too long because it was nobody's baby, so now we are hoping that we bridge that gap," she added.</p>	

<p><b>SURAT'S TAXPAYERS DISCLOSE RS 1,100 CR UNDER IDS</b></p>	<p><b>The Times of India</b>  <a href="http://timesofindia.indiatimes.com/city/surat/Surats-taxpayers-disclose-Rs-1100-Cr-under-IDS/articleshow/54486652.cms">http://timesofindia.indiatimes.com/city/surat/Surats-taxpayers-disclose-Rs-1100-Cr-under-IDS/articleshow/54486652.cms</a></p>
<p>SURAT : With over half a dozen more taxpayers coming forward with their disclosure, the total disclosure under Income Declaration Scheme (IDS) in Surat has touched Rs 1,100 crore on Friday.</p> <p>On Friday, Surat's Income Tax department received IDS disclosures from textile traders, textile dyeing and printing mill owner etc. worth Rs 100 crore.</p> <p>The realtors from Pal, Saroli and Magob alone disclosed Rs 67 crore under the IDS, followed by Rs 10 crore by textile traders, textile mill owner's Rs 1.50 crore, textile group's 3.50 crore and Rs 18 crore under penny stock.</p> <p>Until now, around 90 per cent of the disclosure under IDS has come from the real estate groups in the city, followed by textile traders and mill owners. The I-T has received very less amount of disclosure from the diamond companies, as most of the companies have their headquarters in Mumbai.</p> <p>Out of Rs 1,100 crore disclosed under IDS, the realtors and textile traders have disclosed a whopping Rs 90 crore as tax earned through trade in penny stocks. Penny stocks are shares with value not exceeding a few rupees.</p>	

<p><b>RAJASTHANI HANDLOOM PRODUCTS ON FLIPKART, AMAZON, SNAPDEAL SOON?</b></p>	<p><b>Retail Economic Times</b>  <a href="http://retail.economictimes.indiatimes.com/news/e-commerce/e-tailing/rajasthani-handloom-products-on-flipkart-amazon-snapdeal-soon/54482345">http://retail.economictimes.indiatimes.com/news/e-commerce/e-tailing/rajasthani-handloom-products-on-flipkart-amazon-snapdeal-soon/54482345</a></p>
<p>HYDERABAD: Rajasthan State Handloom Development Corporation (RHDC) is in discussion with e-commerce giants like Flipkart and Amazon to market products made by artisans in the state.</p> <p>"We are in discussion with Flipkart, Amazon and Snapdeal so that our market becomes more widespread," RHDC Managing Director, Shuchi Sharma told here but added that the talks are yet to fructify.</p> <p>RHDC has 15 show-rooms in Rajasthan and one in Ahmedabad, and its keen to open more outside the state with the support of Government of India, she said. Officials said RHDC is helping artisans of the state by providing them access to capital, technology and markets.</p> <p>RHDC, with support from Development Commissioner (Handlooms), Government of India, and in association with FICCI has organised a five-day 'Colours of Rajasthan', an exclusive exhibition of handloom products from Rajasthan, which began here yesterday.</p> <p>Officials said the exhibition would provide an opportunity for the artisans to interact with organised buyers, retailers, designers and public at large enabling them to find newer avenues of marketing and product development.</p>	

**18 LOS ANGELES GARMENT  
MANUFACTURERS FINED IN TWO-DAY  
CRACKDOWN**

**Bizjournals.com**

<http://www.bizjournals.com/losangeles/news/2016/09/23/18-los-angeles-garment-manufacturers-fined.html>

Labor investigators issued \$682,344 in fines to 18 garment manufacturers and contractors during a two-day enforcement sweep in the Los Angeles area.

California Labor Commissioner's Office said it issued the fines during an operation that began Sept. 7 and included 22 worksite inspections.

The penalties included a total of \$603,043 in fines and stop orders for six employers with no workers' compensation insurance, and \$42,300 in penalties issued to 14 businesses for garment registration violations.

The 18 garment businesses cited employed 296 workers and included individuals as well as companies.

**WALMART, NIKE AND OTHERS DECLINE TO BACK  
\$40 MONTHLY WAGE HIKE IN CAMBODIA'S  
GARMENT INDUSTRY**

**In These Times**

[http://inthesetimes.com/working/entry/19492/walmart\\_nike\\_and\\_others\\_decline\\_to\\_back\\_40\\_monthly\\_wage\\_hike\\_in\\_cambodias\\_g](http://inthesetimes.com/working/entry/19492/walmart_nike_and_others_decline_to_back_40_monthly_wage_hike_in_cambodias_g)

Major Western retailers sourcing clothing from Cambodia—a country marked by authoritarian rule and regularly ranked as one of the world's worst countries for workers—are declining to endorse a proposed hike in the garment industry's minimum wage that amounts to roughly \$40 a month.

Like many of its neighbors in Southeast Asia, Cambodia is a popular spot for American and European brands to subcontract production of textiles and shoes. It offers easy market access and, above all, cheap labor. Against that backdrop, garment and footwear exports have more than doubled over the past decade—with suppliers pulling in contracts from top-name corporations like Walmart and Nike.

But the industry is not without conflict. In recent years, its overwhelmingly female workforce has led mass strikes and protests to demand higher wages, and several workers were killed in a police crackdown in January 2014. Further tension looms.

This month, labor unions representing hundreds of thousands of garment workers proposed a hike in the industry-wide minimum wage from \$140 a month to \$179.60. They've been met with stiff opposition from the factory owners' lobby, the Garment Manufacturers Association in Cambodia, which countered with its own monthly minimum wage offer of \$144.20. Many Western brands, too, have declined to endorse the unions' proposal.

<p><b>TEXTILE SECTOR SHOWS SIGNS OF DISTRESS</b></p>	<p><b>Gulf News Pakistan</b>  <a href="http://gulfnews.com/news/asia/pakistan/textile-sector-shows-signs-of-distress-1.1901077">http://gulfnews.com/news/asia/pakistan/textile-sector-shows-signs-of-distress-1.1901077</a></p>
<p>A neglected waiting area, empty reception and dim lights greet visitors at what used to be the biggest textile factory in the northern industrial area of Pakistan's economic hub.</p> <p>At its peak, Al Abid Silk Mills Ltd. employed 7,600 employees in Karachi. Now only a handful can be seen in the near-abandoned garment workshop. It's one of hundreds that have shut down over the past few years, contributing to Pakistan's exports falling to their lowest in six years.</p> <p>Exporters from South Asia's second-largest economy, including textile manufacturers who account for more than half of all overseas shipments, say buyers have shifted to countries including Bangladesh and Vietnam as continual power outages impede their ability to meet order deadlines, while complaining that the government has provided scant support.</p> <p>"The government has never planned how we need to go forward with the textile industry," Naseem Sattar, the 80-year-old chief executive officer of Al Abid, said as he smoked in his office in the derelict plant. "Such a factory is considered a national asset and we got no help."</p> <p>About 100 member factories have shut down and at least 500,000 people have lost jobs in the past two years, according to Saleem Saleh, acting secretary general of All Pakistan Textile Mills Association, the biggest contributor to the nation's textile exports. About two-thirds of the members of the Pakistan Bedwear Exporters Association have stopped working in the past five years, according to its head, Shabir Ahmad.</p>	

<p><b>CIEL TEXTILE FY HIT BY LOWER KNITWEAR EARNINGS</b></p>	<p><b>Just-Style</b>  <a href="http://www.just-style.com/news/ciel-textile-fy-hit-by-lower-knitwear-earnings_id128895.aspx">http://www.just-style.com/news/ciel-textile-fy-hit-by-lower-knitwear-earnings_id128895.aspx</a></p>
<p>Ciel Textile has booked a decline in earnings for its last fiscal as its knitwear unit was impacted by the launch of a new factory in India and the company battled a challenging international retail environment.</p> <p>The Mauritius-listed clothing manufacturer saw earnings for the year ended 30 June drop to MUR703.6m (US\$) from MUR762.4m a year earlier. Revenues, however, climbed 3.5% to MUR10.48bn.</p> <p>Ciel's woven division was the strongest performer during the year, both in Mauritius and in Asia, with earnings up 12% to MUR407.9m and sales up 2.9% to MUR5.75bn. The company described the performance of its knitwear unit as "satisfactory", as earnings fell 35.6% to MUR218.1m primarily due to a significant drop in margins and costs to set up a newly automated facility in Madagascar. Sales, however, climbed 4.4% to MUR4.73bn.</p> <p>"The current international retail environment, combined with the recent currency fluctuations, are areas of concern and stronger sales' momentum remains a key priority for the Ciel Textile team," the company said.</p> <p>"Despite this challenging environment, the woven cluster is expected to deliver a satisfactory performance in the current financial year. The results of the knits cluster will remain partly dependent on the successful development of its operations in India. The restructuring of the industrial activities of the knitwear cluster is only anticipated to have a medium term positive impact on our results."</p>	

**PANEL FORMED TO STUDY FEASIBILITY  
OF REVIVING HETAUDA TEXTILE**

**The Himalayan Times**

<https://thehimalayantimes.com/business/panel-formed-study-feasibility-reviving-hetauda-textile/>

The government has initiated the process to revive Hetauda Textile Factory (HTF).

Ministry of Industry (Moi) has formed eight-member committee to study feasibility of resuming the operations of defunct HTF under the coordination of former member of National Planning Commission (NPC) Puskar Bajracharya.

The committee will be responsible to submit the feasibility study report within 15 days from today, according to Moi officials.

“The committee will basically have to provide suggestions to the government regarding the feasibility of reviving HTF, operation modality of the industry, status of machinery equipment and other infrastructure in the industry, investment options and markets for productions through HTF,” the Moi said in a press note.

Spread over around eight acres of land, HTF holds capacity to produce 36,000 metric tonnes of clothes every year. However, HTF has remained closed since 2000. In 2008 also, the then government had made a vain attempt to reopen the industry.