



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 –16-12-2017

Efforts to prioritise textile technologies	The Hindu http://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/efforts-to-prioritise-textile-technologies/article21767819.ece
<p>Textiles is among the sectors identified by Technology Information Forecasting and Assessment Council (TIFAC) to bring down emission levels by using better technology.</p> <p>Gautam Goswami, who heads the TIFAC Technology Vision 2035, told The Hindu that a meeting was held in Coimbatore recently in this regard. “We met about 50 people and 40 % of them were from the industry. SITRA is an active participant in this project. Tirupur cluster is another important area. We are looking at how to go for textile processing with lesser water and more automation,” he said.</p> <p>Mr. Goswami explained that as part of the Paris agreement on climate change, India has to reduce emissions by 30 % to 35 %. TIFAC is preparing a report on the technologies required, indigenous technologies available, what needs to be borrowed, and ways to use the green climate fund. The report is expected to be finalised in a year.</p> <p>Sectors identified</p> <p>“We have identified 10 sectors, including industrial processing, transport, agriculture, water, waste, and renewable energy. In industrial processing, major manufacturing industries such as steel, cement, textiles, leather and fabrication are covered,” he said. In textiles, we have identified about 30 areas and have asked the industry to prioritise (technology prioritisation techniques) these. The meeting held here was part of this effort.</p> <p>G. Thilagavathi, professor and head of textile technology at PSG College of Technology, said the Centres of Excellence of the department will organise more meetings with textile industry here to get their views on the technologies available and needed in different segments of the textile value chain and submit a report to TIFAC.</p>	

<p align="center">Industry seeks restoration of export benefits for cotton yarn</p>	<p align="center">The Hindu http://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/industry-seeks-restoration-of-export-benefits-for-cotton-yarn/article21767820.ece</p>
<p>In the first six months of this financial year, cotton yarn exports declined 10 %, mainly due to policy lapses, according to Confederation of Indian Textile Industry. Sanjay Kumar Jain, chairman of the confederation, has said in a press release that cotton yarn exports between April and September in 2016 was 517 million kg and it was 464 million kg during the same period this year. In 2013-14, spinning mills took advantage of the 2 % incremental export incentive, 2% interest subvention, and 3 % focus market incentive. In 2014, these incentives were withdrawn and cotton yarn exports in 2016-17 registered 26 % decline in value terms.</p> <p>Mr. Jain said that the country exports almost 20 % of its cotton produced. During the current cotton season, the prices might touch minimum support price level as the production is expected to be high. According to the Financial Stability Report of the Reserve Bank of India, textiles has one of the highest levels of non-performing assets. When exports benefits such as MEIS and IES were introduced, all segments of the textile value chain were covered except cotton yarn. Thus, cotton yarn exports to China dropped. “Withdrawal of export incentives for cotton yarn has reduced our competitive edge by increasing our prices to the tune of 5 % to 6 %.”</p> <p>IES benefit</p> <p>The 3 % IES benefit is essential to maintain six to nine months cotton inventory and to ensure consistency in quality of yarn supplied. He appealed to the government to restore the MEIS and IES benefits for cotton yarn.</p>	

<p align="center">Power loom sector hit hard with the increasing yarn prices</p>	<p align="center">Yarns and Fibres http://www.yarnsandfibres.com/news/textile-news/power-loom-sector-hit-hard-increasing-yarn-prices#.WiSuSVWWbIU</p>
<p>Yarn is basic raw material for power loom sector and the increasing nylon and polyester yarn prices has destabilized the sector further which is reeling under the after-effects of implementation of Goods and Services Tax (GST), despite the fact that GST Council had reduced GST on yarn from 18 percent to 12 percent. The rally of yarn prices is going on since Septtember., said Pandesara Weavers Cooperative Society president Ashish Gujarati.</p> <p>Gujarati added that the production of grey fabrics has decreased from 4 crore metre per day to less than 1.5 crore metre per day. With yarn price hike, weavers are incurring loss of Rs 2 per metre. The loss in nylon fabric is very huge. According to the Industry sources, front and second-line spinners had increased nylon yarn prices by almost Rs 50 per kilogram since September, while polyester yarn prices increased up to Rs 8 per kilogram. This has dealt a major blow to the production of grey fabrics and weavers incurring loss of Rs 2 per metre.</p>	

Sources said that demand for polyester fabric, including saris and dress material, is at an all-time low. Business turnover in the textile markets has reduced by almost 60 percent in the last few months. Despite this, yarn spinners have been increasing yarn prices. Sachin Weavers Association president Mahendra Ramoliya said that a majority of power loom weavers are operating their units only thrice a day in Pandesara GIDC. The production of grey fabrics has gone down by almost 80 percent. The GST has broken the spine of power loom sector. The vibrant business environment in the Diamond city Surat has gone for a toss. In the last couple of months, many powerloom weavers have shut their units, rendering thousands of textile workers jobless. Also around more than 95,000 power loom machines have been sold in scrap. Still on an average around 150 power loom machines are being sold in scrap everyday.

Weavers still awaiting directive on import duty on fabrics	Times of India https://timesofindia.indiatimes.com/city/surat/weavers-still-awaiting-directive-on-import-duty-on-fabrics/articleshow/62089932.cms
<p>The country's largest man-made fabric (MMF) hub in Surat is still awaiting central government's notification on increase in basic customs duty (BCD) on imported fabrics.</p> <p>After the government's announcement on increasing BCD on MMF fabrics from 10 per cent to 25 per cent in October, the industry is still awaiting the official notification in this connection. Industry leaders said import of fabrics, especially from China, has seen a sharp increase post-GST at almost 30 per cent.</p> <p>Confederation of Indian Textile Industry (CITI) chairman Sanjay Jain said, "MMF yarn, cotton fabric and MMF fabric are largely affected by cheaper imports from China, Indonesia, Thailand and North Korea where fabric industry is subsidized substantially to increase their share of fabric in world textile trade. Moreover, Indian fabric manufacturers have no protection from FTA countries that have been importing fabrics from China, Indonesia and Pakistan and selling garments made from such fabrics to India."</p> <p>Industry sources said over Rs 5,000 crore worth of undervalued fabrics are imported from China and other countries to India per annum. With fixing of floor price by the government, the importers will have to show the real value of fabrics and undervaluation is impossible.</p> <p>The import of cheap and undervalued fabrics in the country has resulted in the closure of 40 per cent of powerlooms in the textile hubs of Surat, Itchalkaranji, Malegaon, Bhiwandi, Burhanpur, Varanasi, Salem and Erode. The situation of Banarasi weavers is very tough as imported silk fabric is quite cheap than what is manufactured by Banarasi weavers.</p>	

Surat's power loom weavers manufacture 4 crore metre of fabrics per day, which have been reduced to 1.5 crore metre per day post-GST. Around 95,000 power loom machines have been sold in scrap and more than 50,000 textile workers rendered jobless.

Federation of Indian Art Silk Weaving Industry (FIASWI) chairman Bharat Gandhi said, "There was an announcement from central government on the increase of import duty from 10 per cent to 25 per cent in imported fabrics, but the same is yet to be implemented. Still, imported fabrics is being dumped into the country. Last month, the imports have seen an increase of more than 30 per cent."

Gandhi added, "The situation of fabric manufacturers in the textile hubs across the country, including Surat, is very bad. Many units have shut shops. Now, the government has to act fast or else the textile sector will be on the death bed soon."

Cotton ginners go on a day's strike against RCM	Business Line http://www.thehindubusinessline.com/economy/agri-business/cotton-ginners-go-on-a-days-strike-against-rcm/article9994710.ece
--	---

Raising their demand for early resolution of the 5 per cent GST under the Reverse Charge Mechanism (RCM), ginners across the country observed a day's strike on Friday. As many as 4,300 ginning units from Maharashtra, Gujarat, Odisha, Telangana, Karnataka and Andhra Pradesh stalled their cotton processing activities opposing the Centre's move of introducing RCM for the fibre under GST. Earlier, the Cotton Association of India (CAI), following its meeting on November 27, had decided to support the strike.

More action later

"If the RCM issue is not resolved by the GST Council in its upcoming meeting on December 21, the ginners may go on an indefinite strike from the next day," said Atul Ganatra, CAI's President. Under the Reverse Charge Mechanism, a recipient of goods and/or services is liable to pay GST, instead of the supplier. In this case, ginners — the buyers of raw cotton — are required to pay the tax instead of the cotton farmers.

Mixed response in Gujarat

Out of over 4,300 ginning units in the country, about 1,300 are spread in Gujarat, with major concentration in Saurashtra and North Gujarat. Even as most ginning units in most other States observed complete closure, the units in Gujarat gave a mixed response to the strike.

Ginners stated that even as the RCM on GST is refundable, "our experience is that it is not refunded timely. Our

working capital gets stuck up due to the delay in refund. If ginnerers are not lifting cotton from the yards, farmers will suffer, which is not good," said Rajnibhai Gandhi, a ginner from Bodeli in Chhota Udepur district, Gujarat.

Pink bollworm crisis hyped by oppn, cotton arrival more than last yr: Min

Times of India

<https://timesofindia.indiatimes.com/city/nagpur/pink-bollworm-crisis-hyped-by-oppn-cotton-arrival-more-than-last-yr-min/articleshow/62089765.cms>

State agriculture minister Pandurang Phundkar said the report of the special investigation team (SIT), constituted for probing into pesticide inhalation deaths, will be tabled before the winter session ends.

"The report has been put up before chief minister Devendra Fadnavis for his scrutiny. In any case, it would be tabled before the house during the current session," Phundkar told TOI during an informal conversation.

Poisoning due to accidental inhalation of pesticides has led to 44 deaths in Vidarbha. The highest toll has been in Yavatmal district, infamous for farmer suicides. The minister also blamed rampant use of plant growth regulators for the incidents. He said the chemicals have led to abnormal growth of cotton crop. One of the theories is that due to excessive height of the cotton crop, fumes of pesticides fell on workers' face while spraying, leading to deaths. On the pink bollworm attack, Phundkar said pest infestation was not at the level of a crisis. "The crisis is only a creation of the opposition. In fact, cotton production was higher than the last year," he said.

According to figures quoted by Phundkar, market arrivals of cotton from October to December this year have exceeded previous year's count for the same period by over 4 lakh quintals. This year, the total arrivals till the first two weeks of December stand at 98.31 quintals, the minister said.

"The arrivals in the month of November 2017 are double as compared to November 2016 at 40.95 lakh quintals. During December 2016, 70 lakh quintals of cotton reached the markets. This year, the figures collected till December 11 show arrivals at 53 lakh quintals. Over a fortnight remains for the month to end," said Phundkar.

"Figures show that cotton output is higher than the last year. I came across a farmer in Akola district who has harvested 600 quintals in his 80-acre farm. He is expecting another 800 quintals of yield through further picking. In my own constituency of Buldhana, the impact of bollworm is not in more than 5% of the area. The opposition's claims are hyped," he said. So far, 5 lakh farmers have filed complaints about Bt seeds failing against bollworm, said Phundkar. Kishore Tiwari, a former farmers' activist and now the chairman of the state government think-tank Vasant Rao Naik Shetkari Swavalamban Mission (VNSSM), has countered Phundkar's claims.

He said the figures are misleading as the cotton crop has almost exhausted. "Not much is expected to reach the markets after this. Last year, the total arrivals in the state stood at 388 lakh quintals. A year before, it was 297 lakh quintals. This year, the total arrivals are expected to be around 200 lakh quintals," Tiwari said. "If we consider the incremental area of 10 lakh hectares which came under cotton this year, then the yields have been halved in 2017," said Tiwari. He said the government's plan to get compensation from seed companies for the bollworm attack is impractical. The companies can also challenge the move in the courts, he added.