



## 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](mailto:info@simamills.org) | Web: [www.simamills.org](http://www.simamills.org)

### NEWS CLIPPINGS –20-12-2017

| <b>Indian govt preparing standard procedure for FTA</b>  | <b>Fibre 2 Fashion</b><br><a href="http://www.fibre2fashion.com/news/textiles-policy-news/indian-govt-preparing-standard-procedure-for-fta-239672-newsdetails.htm">http://www.fibre2fashion.com/news/textiles-policy-news/indian-govt-preparing-standard-procedure-for-fta-239672-newsdetails.htm</a> |
|--|---|
| <p>The Government of India is preparing a standard operating procedure that will be followed while entering into any new free trade agreement (FTA), Union minister of commerce and industry Suresh Prabhu has said. Besides the European Union, the Indian government is currently in discussion with the Canadian and Australian governments for FTA.</p> <p>“When we talk of FTA there are always trade-offs...as a country we have to find how a trade-off can benefit us,” Prabhu said at an event organised by the Apparel Export Promotion Council (AEPC).</p> <p>Informing about the India-EU FTA talks, he said that he had a meeting with the EU minister to discuss various issues. He added that the EU is great market for India for apparel, which is an employment generating sector.</p> <p>Speaking at the same event, textiles minister Smriti Irani said skilling would be among the focus area for the government and assured her ministry’s all support to garment manufacturers. “We are working on solving all the issues prevailing in the industry,” said Irani, adding that the ministry would work on every plight of the sector.</p> <p>AEPC chairman Ashok Rajani said that exporters used to earlier receive 11.30 per cent incentives under Remission of State Levies (RoSL), but now it has come down to 6.5 per cent. He added that exporters are facing a crisis while shipping their products abroad, especially the EU, which levies 12 per cent duty on Indian cotton while Bangladeshi and Vietnamese cotton are exempt from any duties.</p> |   |

| <b>Govt working on strategy to boost share of services exports, says Prabhu</b>  | <b>Business Line</b><br><a href="http://www.thehindubusinessline.com/todays-paper/tp-news/govt-working-on-strategy-to-boost-share-of-services-exports-says-prabhu/article9997096.ece">http://www.thehindubusinessline.com/todays-paper/tp-news/govt-working-on-strategy-to-boost-share-of-services-exports-says-prabhu/article9997096.ece</a> |
|--|---|
| <p>The government is working on a strategy to boost share of services in total exports from the country, said Commerce &amp; Industry Minister Suresh Prabhu. The Indian industry needs to identify the markets that they want</p> |   |

to export to and the Department of Commerce would work on market access issues there, the Minister said at a meeting on the services sector organised by industry body CII.

Prabhu further added that the World Trade Organisation (WTO) needed to focus on the most relevant issues in the world today and the mini-ministerial that India would organise in a few weeks' time for top countries will deliberate on such issues. "In my opinion services should be one of the most critical drivers of the growing economy and must be brought to the forefront," Prabhu said.

The country needs to identify new services which have tremendous export potential such as healthcare and financial services and within that develop new products which could be exported. The Minister suggested that sectors such as IT should look at developing newer markets such as Latin America as markets like the US and Europe were becoming saturated. The services sector contributes 60 per cent of India's GDP, 30 per cent of India's exports and just 30 per cent of India's jobs. According to Uday Kotak, Chairman, CII National Council on Services, measures need to be taken to step up the share of jobs to 40 per cent and that the service sector become the "job creation engine" for the Indian economy.

|   |   |
|---|---|
| <b>Bollworm, Bt3: Telangana farmers want Monsanto compensate their losses</b> | <b>Business Line</b><br><a href="http://www.thehindubusinessline.com/economy/agri-business/bollworm-bt3-telangana-farmers-want-monsanto-compensate-their-losses-on-bt3/article9996971.ece">http://www.thehindubusinessline.com/economy/agri-business/bollworm-bt3-telangana-farmers-want-monsanto-compensate-their-losses-on-bt3/article9996971.ece</a> |
|---|---|

With Bollgard-II technology failing to control pink bollworms and illegal Bt3 technology seeds flooding the market, farmers in Telangana have demanded State and Central governments to ensure payment of compensation for crop losses they suffered this kharif. The Telangana Rythu Sangham has asked the governments to take action against Monsanto holding it responsible for the spread of the third generation Bt cotton technology seeds in the State, and make the company pay compensation to them. (Farmers in the State have been referring to Roundup Ready Flex or RRF herbicide-tolerant cotton technology by Monsanto as BG-III.)

"Seeds with third generation Bt technology are marketed in the State. This technology has no clearance from the Genetic Engineering Approval Committee (GEAC)," the association's President P Janga Reddy and Secretary T Sagar have said.

#### MONSANTO DENIES CHARGES

Monsanto India, however, denied any role in spreading the technology here. It blamed "illegal sellers of these unapproved technologies" for this. "It is a matter of grave concern that some seed companies, while suppressing their real intent of profiteering, are attempting to illegally incorporate unauthorised and unapproved herbicide

tolerant technologies into their seeds,” a Monsanto India spokesperson told BusinessLine. Asked for response on the demands made by the farmers’ organisation, the spokesperson said that the firm did not stand to gain anything from the sale of illegal seeds. “We have learnt about illegal RRF herbicide tolerant cotton being planted by farmers in key cotton growing States across India,” the spokesperson said. “Even while the necessary applications seeking permissions for environmental release of Roundup Ready Flex (RRF) herbicide-tolerant cotton were being reviewed by the GEAC, this request was withdrawn in May 2016 due to the prevailing uncertainty in the operating environment,” the Monsanto India official said.

#### WIDESPREAD USE

Pink bollworms, which cause devastating impact on farmers’ incomes, have developed resistance to Monsanto’s second generation Bt cotton technology (BG-II). The incident was so virulent this year that the Agriculture Department of Telangana had issued an advisory to farmers to remove the plants immediately (without waiting for the third or fourth picks) so that the fields would be free of the worms for next kharif.

| <b>Destroy bollworm-hit plants by Jan:<br/>Maharashtra</b>   | <b>Business Line</b><br><a href="http://www.thehindubusinessline.com/todays-paper/tp-agri-biz-and-commodity/destroy-bollwormhit-plants-by-jan-maharashtra/article9997069.ece">http://www.thehindubusinessline.com/todays-paper/tp-agri-biz-and-commodity/destroy-bollwormhit-plants-by-jan-maharashtra/article9997069.ece</a> |
|--|---|
| <p>The Maharashtra government has issued an advisory to farmers, asking them to destroy pink bollworm-hit cotton plants in January, a senior official with the State Agriculture Department said today. “We have asked farmers to stop picking beyond December as it will help break the life-cycle of the pest, and lessen the risk of incidence in the kharif season,” the official said. The advisory is being relayed to farmers through mobile texts, and an official release in this regard will be issued soon, the official said. The issue of pink bollworm attack on the cotton crop in Maharashtra was today raised in the Lok Sabha by Supriya Sule and Prataprao Jadhav, urging compensation to farmers from the Centre for their crop losses. Around three million hectares or about 70 per cent of the total cotton acreage in Maharashtra may have so far been affected by pink bollworm attack, the official said. Cotton acreage in Maharashtra is pegged at around 4.2 million ha in 2017-18 (October-September), compared with 3.8 million ha last year, according to the State’s first advance estimates.</p> |   |

**Indian apparel industry performing positive despite global changes: Smriti Irani**

**Knn India**

<http://knnindia.co.in/news/newsdetails/sectors/indian-apparel-industry-performing-positive-despite-global-changes-smriti-irani>

In an attempt to woo the textile sector in the country comprising of a fair share of Micro, Small and Medium Enterprises (MSMEs), Textile Minister said that the sector is performing competitively despite the change in global markets. The Minister said that the apparel sector in the country is performing at par with other countries in a scenario where there is ample of competition as well as challenge.

Also the country is finding its place as an emerging Fashion centre with an enormous raw material and manufacturing base on the country along with the talent in terms of designing, Irani added.

The Minister made the following remarks during the 22nd Apparel Export Promotion Council Export Wards in the national capital. With regard to the government's commitment to ensuring a dialogue, Irani said that her office along with the Commerce and Industry Ministry is dedicated to address the different concerns put up by industry from time to time.

Suresh Prabhu, Commerce and Industry Minister, who was also present during the ceremony said that the sector can see itself in full support from the government, be it the push for growth, MEIS or trade agreements.

Also NITI Aayog CEO Amitabh Kant highlighted the importance of handholding the textile sector considering the fact that it involves a huge chunk of labour and contributes to employment generation in the country. Kant further said that it is to align further closely with AEPC to explore newer policies and framework whenever required for the sector. The event was attended by officials from commerce and industry ministry, textile ministry and textile exporters from across the country.

**Poll setback in Gujarat's cotton belt worries Maharashtra BJP**

**Live Mint**

<http://www.livemint.com/Home-Page/1vIBBY5VWMZuojE93UYIfN/Poll-setback-in-Gujarats-cotton-belt-worries-Maharashtra-BJ.html>

The ruling Bharatiya Janata Party (BJP) in Maharashtra is worried about the electoral reversals the party suffered in rural Gujarat, especially the cotton-growing parts. Results of the Gujarat assembly elections announced on Monday showed the Congress made significant gains in the Saurashtra-Kutch region and north Gujarat where cotton and groundnut are the main cash crops.

In the belt that accounts for 54 assembly constituencies, the BJP won only 23 seats, 12 fewer than in 2012, while the Congress took 30 seats, 14 more than in 2012. And across the state, the BJP won only 55 of the 127 rural and

semi-urban seats as against 68 by the Congress.

Kishore Tiwari, chairman of the Maharashtra government-appointed Vasant Rao Naik Shetkari Swawalambi Mission—a task force formed to solve Vidarbha's agrarian crisis— and Vidarbha-based farm activist, said the Maharashtra government should learn from the setback in rural Gujarat.

“The results in cotton-growing parts of Gujarat should be a matter of concern for Prime Minister Narendra Modi and the BJP-led government in Maharashtra. Apart from the low remunerative price for cotton and the severe spell of pink bollworm attack on the crop that has caused damages worth Rs10,000 crore to cotton growers in Maharashtra, the government also needs to think about providing timely access to institutional credit, high cost of production, and bureaucratic bottlenecks that cause delays between the programmes and their delivery before the BJP suffers a similar political setback here as well,” Tiwari told Mint.

A BJP minister in Maharashtra, who campaigned for the party in rural Gujarat including parts of Saurashtra-Kutch region, said the Congress had gained despite the BJP government in Gujarat announcing in October a bonus of Rs500 per quintal for cotton over and above the minimum support price (MSP) of Rs4,020 per quintal for the small staple variety, Rs4,270 for the medium staple, and Rs4,320 for the long staple.

“The scale of distress was apparently bigger and more serious than we imagined. What is worrying is that the cotton growers in Maharashtra are facing exactly the same problems as their counterparts in Gujarat—a low remunerative price and a widespread attack of pink bollworm on Bt cotton. The bonus of Rs500 does not seem to have helped much in Gujarat and that means the distress level among cotton growers in Maharashtra, who have not been given such bonus, could be higher,” said the minister requesting anonymity.

Gujarat is India's top cotton producing state, accounting for nearly 25% of the national yield. According to the estimates of the cotton industry and the state government, the state is likely to produce 50.50 million quintals of cotton in the 2017 kharif season. Cotton is grown over 2.7 million hectares in Gujarat. Though Maharashtra has larger acreage under cotton—normally 3.8 million hectares but 4.2 million hectares this year—it has lower productivity and was estimated to produce nearly 40 million quintals at the start of this kharif season.

But activists and even agriculture ministry officials in Maharashtra now say the pink bollworm attack has damaged nearly 40% of the estimated crop. “The damage in some parts like Vidarbha is more than 50% but it averages out to around 40% across all cotton growing parts of the state,” said a senior agriculture ministry official.

The regions of Vidarbha and Marathwada account for nearly 65% of Maharashtra's total cotton yield. Parts of North Maharashtra and Khandesh also grow cotton. Of the state's 13.6 million farmers, nearly 4.5 million grow

cotton, as per the state's agriculture census.

For the BJP, the cotton growing regions are also politically significant—some 65 of its total 122 members of the legislative assembly have been elected from Vidarbha, Marathwada, North Maharashtra and Khandesh. Chief minister Devendra Fadnavis himself is from Vidarbha and so is senior BJP leader and Union minister of transport and shipping Nitin Gadkari.

Farm activists and politicians claimed that cotton crop grown over nearly 1.3 million hectares has been damaged by the attack of the pink bollworm because the Genetically Modified (GM) variety of Bollgard II has lost much of its resistance to pest attacks. In Yavatmal district alone, where cotton is cultivated over 4.5 lakh hectares —the largest area under cotton cultivation in India —bollworm attack has damaged between 50-80% of the crop, according to Tiwari.

Dhananjay Munde, Nationalist Congress Party leader and leader of the opposition in the Maharashtra legislative council, has demanded compensation of Rs25,000 per acre for cotton growers hit by pink bollworm infestation. The opposition has already mounted an intense attack on the BJP-led government during the ongoing winter session in the ongoing assembly over this issue.

The BJP minister quoted above said cotton growers in Gujarat, Andhra Pradesh and Telangana too were complaining of pink bollworm attacks. “Farmers in Gujarat have spoken through their vote against us. We need to take some corrective measures in Maharashtra now,” said the minister.

|  |   |
|--|---|
| <b>Pink boll-worm attack rings alarm bells</b>   | <b>The Hindu</b><br><a href="http://www.thehindu.com/todays-paper/tp-national/tp-telangana/pink-boll-worm-attack-rings-alarm-bells/article21996074.ece">http://www.thehindu.com/todays-paper/tp-national/tp-telangana/pink-boll-worm-attack-rings-alarm-bells/article21996074.ece</a> |
| <p>Destroy crop after third picking'</p> <p>With the incidence of pink boll-worm attack in cotton crop reaching the economic threshold level (ETL) mostly in the erstwhile Adilabad and Warangal districts this year, the Agriculture Department has asked the district collectors and district agriculture officers to convince the farmers to destroy the crop after the third picking. According to officials, although the pink boll- worm attack has been reported at ETL in the two erstwhile districts, its incidence has been noticed to be “sporadic” in other districts too. Cotton has been cultivated in 19.09 lakh hectares, which stood at about 49% of the total sown area of 39.01 lakh ha in the kharif season, with farmers who took to redgram, maize, and other crops in a big way last year returning to the fibre crop.</p> <p>After noticing the large-scale damage caused by pink boll-worm pest attack on cotton in Gujarat, Karnataka,</p> |   |

Maharashtra and a few other States affecting both the production and productivity, the State government has decided to take steps to contain its impact this year and also to prevent or minimise its incidence in the next kharif season (2018-19).

#### Widespread campaign

In a letter addressed to district collectors and district agriculture officers earlier this month, Agriculture Production Commissioner C. Parthasarathi suggested them to take up a large-scale campaign to sensitise the farmers on the pest attack so as to control its spread this season as well as in the next kharif season. “We have suggested to the district officers to convince the farmers to terminate the standing cotton crop after the third picking, which is taken up around the third week of December, and completely destroy the crop by the end of December as extended life of the crop will not only continue the damage this season but also acts as a platform for its spread in the next season,” Mr. Parthasarathi explained. However, the farmers are required to be educated that maximum yields of cotton are realised in the first three pickings itself and that they won't get any considerable yield from the fourth picking onwards, officials of the Agriculture Department said.

|  |  |
|--|--|
| <b>Cotton Production Improves in Pakistan</b>  | <p style="text-align: center;"><b>Cotton Grower</b></p> <p style="text-align: center;"><a href="http://www.cottongrower.com/international/cotton-production-improves-in-pakistan/">http://www.cottongrower.com/international/cotton-production-improves-in-pakistan/</a></p> |
| <p>Sustained growth in cotton production reached 10.685 million bales during the last fortnight (Dec 1-15), according to an article on Dawn.com. A 5.30 per cent increase has been witnessed over the corresponding period last year when production stood at 10.147m bales. The latest cotton production figures issued by Pakistan Cotton Ginners Association on Monday showed higher growth in Sindh’s cotton production at 4.136 million bales, an increase of 11.70pc over the same period last year when production stood at 3.703m bales. The province produced around 433,275 more cotton bales so far over last year. Against this, cotton production in Punjab during the period under review recorded a modest increase at 6.549m bales or 1.63pc higher over the corresponding period last year when production was at 6.444m bales. Overall, the province produced 104,765 more bales over the last year.</p> |  |

|  |  |
|--|--|
| <b>China's cotton output increases 2.7% in 2017</b>  | <p style="text-align: center;"><b>Fibre 2 Fashion</b></p> <p style="text-align: center;"><a href="http://www.fibre2fashion.com/news/cotton-news/china-s-cotton-output-increases-2-7-in-2017-229657-newsdetails.htm">http://www.fibre2fashion.com/news/cotton-news/china-s-cotton-output-increases-2-7-in-2017-229657-newsdetails.htm</a></p> |
| <p>Reversing a four-year declining trend, China’s cotton production has increased by 2.7 per cent in 2017 to around 5.49 million tonnes, according to the data from the National Bureau of Statistics (NBS). This is despite the area of</p> |  |

cotton fields falling 4.3 per cent year-on-year to 3.23 million hectares, NBS said. Yield per hectare, however rose 7.3 per cent.

Owing to strong growth in yield per hectare, China's cotton output increased 142,000 tonnes in 2017, Chinese news agency said quoting NBS data.

Northwest China's Xinjiang Uygur Autonomous region, accounted for 74.4 per cent of the country's total output, 7.1 percentage points higher than last year. This region saw increases in both area and yield due to production on a larger scale. Meanwhile, cotton output dropped this year in other cotton growing areas.

China's cotton output peaked in 2012 at 6.84 million tonnes, more than 2.2 times that of 1978. Since 2013, it started to decline due to relatively low profitability.