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NEWS CLIPPINGS –04-06-2018

LIC Wins trademark case against textile firm	The Hindu http://www.thehindu.com/news/cities/chennai/lic-wins-trademark-case-against-textile-firm/article24074465.ece

The Life Insurance Corporation (LIC) has won a trademark case against Chennai-based textile firm, Vedhapuri Textiles.

In 2001, the firm had applied for registration of a trademark logo depicting two uplifted hands with diya in the centre and words "Double Hands" for its 'lungies'. The trademark was advertised in the Trademark Journal in 2012. The LIC did not oppose the mark and the textile firm's logo was registered in 2013.

Later, LIC, which is using the trademark logo since 1956, moved the Intellectual Property Appellate Board (IPAB) for rectification.

It said the trademark logo of the textile firm would amount to infringement of its legal rights as there is a deceptive similarity and an infringement of the registered proprietors statutory and common law rights.

The IPAB said the proprietor of the textile firm must be aware about the trademark and the logo of LIC and there is no reason to adopt an identical logo for 'lungies'.

It also said the textile firm registered the logo without sufficient cause and the same is accordingly cancelled/removed.

The IPAB ruled that the textile firm has played a fraud and fined it ₹50,000 to be deposited with the Prime Minister's Relief Fund within two months.

REFILE-China bans non-textile companies from buying cotton from state reserves this year	Reuters https://www.reuters.com/article/china-cotton-auction/refile-china-bans-non-textile-companies-from-buying-cotton-from-state-reserves-this-year-idUSL3N1T615M

China will from Monday ban non-textile companies from buying cotton from 2017/18 state reserve auctions, the country's cotton industry website cottonchina.org said on the weekend.

* Companies not using cotton to make textiles will be disqualified from buying from state reserves from now on this year, according to a statement released on the industry website.

* Textile companies can only buy cotton from state reserves for their own use and are banned from reselling, the statement said. (Reporting by Hallie Gu and Josephine Mason Editing by Joseph Radford)

Sowing Problems: Don't saddle private sector with the MSP burden	Financial Express http://www.financialexpress.com/opinion/sowing-problems-dont-saddle-private-sector-with-the-msp-burden/1192249/

MSP is a flawed policy and make sense only in case there is a backward link via government procurement as is the case with rice and wheat that are key to PDS and buffer stock operations.

The idea of making MSP (Minimum Support Price) work by forcing private players to buy the crop at this price is a bad one. There have been signals recently that the cotton MSP may become the price at which mills will have to buy the crop. Hence, instead of the government bearing the cost—as happens with public procurement of rice and wheat—the burden could be transferred to yarn/textile mills. The logic can then be extended to pulses where mills can be made to buy pulses at the MSP in case market prices come down due to surplus production. The same can also hold for oilseeds where the edible oil manufacturers will be forced to buy oilseeds at MSP. Therefore, we need to have some debate on the issue and reach a consensus.

Today, sugar is probably the most controversial crop, and for historical reasons. Farmers grow indiscriminate volumes of cane that is deleterious for the soil as it is a water-guzzler; this has resulted in the water table getting depleted in cane-growing regions. Mills have to then pay a predetermined price for the crop. In fact, farmers have to sell to mills in the prescribed region, given there are restrictions on the distance between two mills.

There was a time when there was a statutory minimum price (SMP) that has been since replaced by a Union-government-determined fair and remunerative price (FRP). States have their own State Advisory Prices (SAP); forcing mills to procure at SAP, which tends to be higher than the FRP as every government tries to score brownie points with the farmers, has become the norm. This is a legacy issue that should have become irrelevant in a market-driven world.

Now, curiously, the price of sugar is determined by the market, and the high production of cane leads to fall in prices. But, farmers have to be paid the SAP or FRP, and mills cannot honour this commitment unless they are able to sell the sugar in the market at price that offsets the SAP/FRP. This is the core problem facing the sugar industry where such mismatch has led to the build-up of large arrears that are due to farmers; mills also have had to borrow to honour these contracts when they are unable to sell sugar at remunerative prices

Needless to say, cane arrears/pricing has become a political issue. By only setting the rules and coming in the way of the market forces, successive governments have distorted the dynamics of the sugar industry over the years. Besides, there are always rules on what can be exported or imported keeping in mind the price and supply dynamics. In short, there are perennial problems for the industry, in case of both under- and over-production.

Now, if similar administered pricing is to be applied for cotton, the yarn/textiles industry that is already besieged with a different set of challenges would find itself on a sticky wicket. It will no longer be able to fine-tune costs side if MSP becomes mandatory. Textiles and related products account for around 12% of exports, and artificially higher cotton prices could make them less competitive. Further, to ensure that the MSP is paid, the government will have to necessarily tweak trade policy because the MSP regime will not be effective in case companies import cotton at a lower cost. This will affect the competitiveness of industry, considering that the entire textile chain in an important component of our exports.

MSP is a flawed policy and make sense only in case there is a backward link via government procurement as is the case with rice and wheat that are key to PDS and buffer stock operations. Imposition of MSP beyond these is market distorting as it severs the link between prices and demand-supply. This can, at times, be inflationary, and out of sync with the physical market dynamics. If inflation is high, then it affects monetary policy even though it is admitted that interest rates cannot bring down the prices of farm products

RBI has highlighted the announcement of higher MSPs as being one of the major risk factors this year for inflation. This is significant as the government has spoken of providing a mark-up of 50% on cost for all products when deciding on the MSPs for FY19. Ideally, any such support should be through the DBT system and not through price

interventions.

A thought here is that the government is actually intervening in the agri-markets to protect the interest of farmers. This is a step back towards the immediate years after Independence when farming was vulnerable. A better way out is to actually make use of hedging offered via commodity exchanges.

To begin with, farmers must be allowed to have the entire array of commodities available on futures trading platforms. At present, farmers look at the prices earned in the previous cropping season and base the current year's sowing decisions on this.

This is backward-looking, with static expectations. If pulses yielded high prices in 2015, they grew more tur and urad in the subsequent years. This led to overproduction, and prices fell sharply in 2016 and 2017. Had the option of futures trading been available, they could have chosen their crop based on futures prices and escaped the price-crash. In fact, crop switching is possible where the soil is amenable to growing different crops in case the price advantage is known and the crop sold before sowing.

Companies dealing with commodities also need to look actively at these markets.

In the case of sugar, if all the mills hedged part of their output on, say, NCDEX where there are active contracts, then the risk of falling prices would have been mitigated. For this to be effective, there is the requirement of long-term contracts in all these products. At present, futures trading tends to be vibrant in the near month and probably in the month after, followed by the far month. Longer term contracts, of 6-12 months duration, would also factor in any global signals picked up on other international markets—global sugar price trends affect domestic prices and could thus get imbibed.

The government should ideally look for market-based solutions to the problem of prices in the agri-commodities market. Intervening through price guidance not only distorts the market but is very myopic in nature. Creating a solid structure where farmers and companies deal on commodity futures platforms to hedge the price risk is the perfect solution and the effort must be on deepening these markets. This will be a win-win solution and the constant concerns that keep governments worried about whether the farmer is realising remunerative prices and whether the consumer is paying a comfortable price is answered by the markets.

Cotton prices to remain on higher side	My Digital http://www.mydigitalfc.com/deep-dive/cotton-prices-remain-higher-side

More demand coming from spinning mills as well as ginners is likely to keep rates firm

Cotton exports are expected to increase around 30 per cent in 2017-18 from its last year's level and may reach a four-year high of 7.5 million bales. The rise in shipment can be attributed to a soaring global prices and a weaker rupee (the rupee has fallen more than 6 per cent in 2018, making Indian cotton cheaper for overseas buyers).

Union textile minister Smriti Irani is even more bullish and thinks exports market (at least going by the potentials) can be even larger. Speaking at an event in Kolkata recently, she said if the domestic cotton industry can create a brand for India's cotton and a niche for itself, the export market would be much bigger. She also urged the domestic cotton industry to come up with a proposal regarding branding of the country's cotton, primarily aimed at the export market.

Interestingly, unlike the US, China or Egypt, Indian cotton has no brand of its own and hence is unable to carve a niche and earn a premium.

In the current marketing year that started on October 1 India, so far, has exported 6.3 million bales, each bale containing 170 kg of cotton. India had shipped 5.82 million bales of cotton overseas in the last marketing year. The Cotton Association of India (CAI) is of the view that increased supply from India could be a drag on a rally in global prices and would likely compete with shipments to Asia from exporters like the US, Brazil and Australia.

India is the second largest producer of cotton in the world after China. And among the Indian states, Gujarat is the largest producer of cotton, followed by Maharashtra. Other cotton producing states are Punjab, Karnataka, Haryana, Tamil Nadu, Rajasthan, Andhra Pradesh and Madhya Pradesh.

Pakistan, Bangladesh, China and Vietnam are the main buyers of Indian fibre. This season, Bangladesh has emerged as the biggest buyer of Indian cotton, importing nearly 2.1 million bales, overtaking China. China had remained the largest importer of Indian cotton until now.

Meanwhile, cotton prices have firmed up in the domestic market by Rs 350-400 per quintal. Industry experts feel that prices will remain on the higher side with international rates also on the rise. According to Cotton Corporation of India, prices usually go up at this point in the season because of the slowdown in arrivals.

Prices are around Rs 44,000 per candy and have been going up in the past 10 days. With more demand coming from spinning mills as well as ginners, prices are likely to remain firm. With nearly 30 more days remaining in the current season, arrivals are learnt to have slackened a bit to 0.5 lakh bales a day. But 32 million bales have arrived in the market, so far, which has pushed prices up.

The market pundits are also expecting a further surge in demand from China as the Communist Party-ruled country has witnessed sharp depletion in buffer stock. Earlier, China maintained a buffer stock for one-and-a-half years, which has come down to a year's stock.

Surat textile processors to meet Finance Minister over GST issues	**Indian Express** http://indianexpress.com/article/cities/city-others/surat-textile-processors-to-meet-finance-minister-over-gst-issues-5201922/

The demands to be put forward includes the difficulty in procuring input tax credit refunds following the implementation of GST.

A delegation of the textile processing association of Gujarat and Maharashtra has decided to make representations before Union Finance Minister Piyush Goyal and Revenue secretary Hasmukh Adhia regarding Input Tax Credit accumulated since the day GST was implemented. The powerloom and textile trading segment and textile processors approached Navsari BJP MP C R Patil to mediate the representations.

According to members of the delegation, the South Gujarat Textile Processors Association (SGPTA) will meet Goyal and Adhia on June 5, where issues related to the textile processing industry will be put forward. Maharashtra Textile Processing Association president Rajiv Jalan will also attend the meeting.

The demands to be put forward includes the difficulty in procuring input tax credit refunds following the implementation of GST. The industry has contended that the form for securing tax credit, ITC 4, is difficult to understand. They have requested that the form be made simpler and have a reverse credit mechanism.

SGTPA president Jitu Vakhariya said, "Our input tax benefit has been pending since day one and it has accumulated into estimated hundreds of crores of rupees. The processing industry is facing cash crunch and if such amount is released then it would benefit the industry."

Exporters' GST refund: FinMin says only Rs 14,000 cr pending	**India Today** https://www.indiatoday.in/pti-feed/story/exporters-gst-refund-finmin-says-only-rs-14-000-cr-pending-1245908-2018-05-30

The finance ministry today said GST refunds worth Rs 14,000-crore to exporters are pending with the government and "solutions" are being put in place to fast-track clearances.

Refuting claims by the Federation of Indian Export Organisations (FIEO) which had yesterday claimed that refund clearance has slowed down and pegged pending refund at over Rs 20,000 crore, the ministry in a statement said Rs 8,000 crore was sanctioned during May.

"Refund claims to the tune of Rs 14,000 crore (Rs 7,000 crore on the IGST side and Rs 7,000 crore on account of ITC) are pending with the government as on date, as against the figure of Rs 20,000 crore projected by FIEO in the press reports," the ministry said.

So far, the government has sanctioned more than Rs 30,000 crore as GST Refund. This includes an amount of Rs 16,000 crore of IGST and Rs 14,000 crore of ITC (input tax credit). The figures of ITC include sanction by both the central and state governments, the ministry said.

"In order to liquidate the pendency, the government is starting a second Special drive Refund Fortnight from May 31, 2018 to June 14, 2018.

"This time the Special Drive Refund Fortnight would facilitate all types of refund claims in which customs, central and state GST officers will strive to clear all GST refund applications received on or before April 30, 2018. This will include refunds of IGST paid on exports, refunds of unutilised ITC and all other GST refunds submitted in FORM GST RFD-01 A," the ministry said.

In the first phase of refund fortnight observed between March 15-30, the Central Board of Indirect Taxes and Customs (CBIC) had cleared refunds totalling Rs 17,616 crore.

This comprised Rs 9,604 crore of Integrated GST refunds, Rs 5,510 crore ITC refund by the Centre and Rs 2,502 crore ITC refund by states.

The CBIC is implementing a solution whereby the refunds held in GSTN, in cases where the exporters have mistakenly declared their export supplies as domestic supplies, would now be transmitted to Customs EDI system.

"On receipt of the records from GSTN, the customs system would automatically process the refunds for sanction, if no other errors are committed by exporters," the ministry said.

Besides, it has also clarified on matters related to refund claims by an input service distributor, composition dealer, exports of services and supplies made to SEZ.

The circular also clarifies issues related to requirement of LUT in cases of export of exempted or non-GST goods and scope of restriction imposed under Rule 96(10).

"All claimants may note the refund application in FORM GST RFD-01A will not be processed unless a copy of the application, along with all supporting documents, is submitted to the jurisdictional tax office. Mere online submission is not sufficient," it added. It asked all exporters with pending GST refund to approach their jurisdictional tax authority for disposal of any of their refund claims submitted on or before April 30. "In case the jurisdiction (i.e. Centre or State) has not been defined for a particular claimant, he/she can approach either of the jurisdictional tax authorities," it said.

Meet to settle US trade tiffs	**Telegraphic India** https://www.telegraphindia.com/business/meet-to-settle-us-trade-tiffs-235207

India is expected to take up the issues of import duty hike on certain steel and aluminium items, visa restrictions and energy co-operation with the US during the five-day visit of commerce minister Suresh Prabhu to Washington from June 20.

Prabhu in his meetings with the US Trade Representative (USTR) and American commerce secretary Wilbur Ross will put forward India's views on contentious issues, including the duties on metals.

US President Donald Trump has imposed steep tariffs on imported steel and aluminium, sparking fears of a global trade war.

Trump signed two proclamations that levied a 25 per cent tariff on steel and a 10 per cent tariff on aluminium imported from all countries.

While India has been making efforts to persuade the US to exempt the country from the duty on steel and aluminium or view New Delhi's export subsidies in a proper context, they have not yet yielded results.

Officials are hopeful that there could be some breakthrough during Prabhu's visit as the talks at the highest level could help the two countries understand each others' concerns.

Both the sides have dragged each other to the WTO in recent months. The US has lodged complaints against India's export and farm subsidies, while New Delhi has raised objections to duties on Indian steel and aluminium and massive illegal subsidies in the renewable energy and agriculture sectors.

Rising US crude oil production and its availability for exports have already benefited a few Indian refiners. In the coming years, sourcing of oil and natural gas from the US is a possibility as steps are being taken to reduce India's over-dependence on West Asia for oil and gas imports.

India has repeatedly raised its concerns over tightening visa restrictions by the US on IT professionals.

The proposed overhaul of the popular H-1B visa regime by the US President has raised concerns among Indian IT firms as any changes in the visa regime may result in higher operational costs and shortage of skilled workers for the $110-billion Indian outsourcing industry.

During the talks, Prabhu will also take up the issue of speedy renewal of the generalised system of preferences scheme (GSP) - the preferential import tax scheme that allows market access at nil or low duties to about 3,500 Indian products, including chemicals and textiles.

Government Relaxes Norms For Coastal Movement Of Agri, Fishery Products	**Bloomber Quint** https://www.bloombergquint.com/law-and-policy/2018/06/03/government-relaxes-norms-for-coastal-movement-of-agri-fishery-products

The government has done away with the licensing permits for foreign vessels for coastal movement of agriculture, fishery and animal produce, besides allowing Indian citizens to charter ships for these, Union Minister Nitin Gadkari said.

The move is also aimed at promoting processing of seafood at Indian hubs under the *Sagaramala*initiative rather than processing of Indian seafood in Singapore before further exports to countries like Japan.

“We have done away with the licensing requirement for plying of foreign flag vessels by foreign players on the coastal line of India for four kinds of cargos - agriculture, horticulture, fisheries and animal husbandry. We have also allowed chartering of a foreign vessel by Indian citizens, Indian incorporated entities and registered Indian societies for this," Shipping Minister Gadkari told news agency *PTI*.

The primary intent of the government's reform in the maritime sector is to see that farmers income increases and through lower logistic charges like transportation through sea would reduce costs, the minister said.

It is in continuation of a large number of initiatives that Government of India is taking to increase farmers' income, in line with the Prime Minister's objective to double farmers' income.

Nitin Gadkari, Road Transport and Shipping Minister

The relaxation in licensing requirement has been given under Section 407 of the Merchant Shipping Act 1958 and accordingly vessels with at least 50 percent of total cargo on-board constituted by these commodities are not required to obtain a license from the Director General of Shipping for coastal trade.

"The relaxation has been undertaken to enable farmers to access large market profitability, widen the range of goods to be marketed and lengthen the distance over which domestic trade can be conducted besides promoting trade and ease of doing business in India," the minister said.

The government has already undertaken the *Sagarmala* initiative for the port-led development of the country, he added.

Waterborne transportation is cheaper on a per kilometre basis concerning transportation by rail or road and can profitably support the movement of the product to reach broader geography of markets and be monetised, the minister noted.

Currently, the persistence of unidirectional demand leads to insufficient investment in the fleet and as a result low availability of coastal vessels does not allow reliable and time bound services at Indian ports which is necessary for perishable goods, he added.

The minister also said that the initiative would further help in government's intent of promoting a mindset shift from facilitating and protecting farmers, towards one that expands the market ecosystem.

Shipping Secretary Gopal Krishna told *PTI* that the move would help farmers as at present South India, where the majority of the cotton mills are located, depends mainly on the road for transportation of cotton from Gujarat, which is costly since it is a seasonal business.

Likewise, wheat can be transported to the South from Gujarat through sea instead of present rail or road.

A shipping association official said many times due to high transportation charges millers in South India prefer to import cotton from countries like Tanzania as it is cheaper to import from there.

The secretary said this creates a huge economic imbalance which goes against our Indian farmers.

From the east coast a lot of seafood goes to Singapore where it is processed and then exported to countries like Japan, he added.

"This could easily be arrested after this relaxation in licensing," he said, adding that food processing hubs can come up near ports.

Last week, the government had also done away with licensing requirement for ships chartered by Indian citizens or companies for transportation of EXIM containers for transhipment purposes and to promote entrepreneurship.

The move was aimed at arresting diversion of Indian container cargo to transhipment hubs at foreign ports that have been swelled to 33 percent, besides creating employment. At present transhipment hubs at Singapore, Malaysia, Colombo and Jabelali near Indian coastline get about 33 percent of the Indian container cargo, which is aggregated there before shipped to final destinations.

If aggregation is done at Indian ports, jobs will be created, port charges will come and an ecosystem will be developed, Gadkari has said.

Thread of ideas tailor-made for success	**The Hindu** http://www.thehindu.com/news/cities/Hyderabad/thread-of-ideas-tailor-made-for-success/article24073885.ece

NIFT students' creations hit stores across India; many bag top jobs before graduation ceremony

A young batch of students has entered the fashion industry by placing their products for sale even before they could graduate. From the passing-out batch of undergraduate and postgraduate students at National Institute of Fashion Technology (NIFT), over 40 have placed their original designs on sale racks across India.

Designer shoes, jewellery, furniture and furnishings developed by NIFT students have hit stores in Bangalore, Pune, Hyderabad and New Delhi, among other cities. What's more, students of the passing out batch of 2014-18 not just sold their ideas but also bagged plum jobs in different cities a few months before their graduation ceremony. NIFT's annual placement record is close to 100%.

Style inspiration

Speaking to *The Hindu*, Aishwarya Dhekane said leather shoes designed by her are available at Kaas fine leather showrooms in Pune. "I used checks and patterns in weaving technique and also used tie-and-dye material to go with the leather shoes. This is the first of its kind design. Women's shoes were inspired by the morning glory flower," Ms. Dhekane said. Both men's and women's collections were marketed to corporate employees who prefer custom-made shoes.

Another student, Sumanini Misra's designs were picked up by Amrapali, a luxury jewellery brand. Two sets of five pieces of silver jewellery which she designed were inspired by the architecture of the Sun Temple in Konark, Odisha, and Parthenon, Greece.

“The pieces which I designed are movement-friendly. Even when you wear a ring, you can bend your finger. Another finger ring which I designed can be worn either on one finger or two,” Ms. Misra said.

One of the two designs she developed has copper plating while the other has a mixture of gold and silver. The 22-year-old has landed a job with Suhani Pittie in Hyderabad.

NIFT-Hyderabad has six basic courses including fashion, lifestyle and accessories, fashion design, fashion communication, knitwear design, textile design and fashion technology. Each course has 30 to 35 students. Project works of each student is developed over a period of six months.

Furniture designs

NIFT students also developed furniture designs that clubbed modern living with traditional designs, including Bidri work. “The projects are sponsored either by private companies or by the Ministry of Textiles,” said Kishore Chandra, a faculty member of NIFT.

The convocation ceremony for the passing-out batch will be held this month.

How cotton is comforting Cauvery delta farmers	**Business Line** https://www.thehindubusinessline.com/economy/agri-business/how-cotton-is-comforting-cauvery-delta-farmers/article24060877.ece

The dry spell in recent years in the Cauvery Delta districts has brought to the fore the need for diversifying crop variety in the traditional paddy growing areas.

Cotton has emerged a possible option in some of the districts during the dry season.

In the Delta districts, cotton is harvested in June-August as a summer crop. This is in contrast with traditional cotton growing areas in western parts of Tamil Nadu where it is sown in July-August and harvested during the year end in winter.

According to VKV Ravichandran, a leading farmer in Nannilam in Thiruvarur district, and a Director in the Iowa-based Global Farmers Network, farmers have shown a keen in the cash crop in recent years due to multiple reasons.

Apart from the dry spell which hit paddy, he pointed out pulses are also not remunerative and is ruling below support prices. Farmers generally go for a pulse crop after summer paddy.

But, cotton prices at about ₹50-60 a kg as compared with ₹40 in the previous year.

According to official sources, while cotton areas are up in certain areas, a shift in mindset is needed. Last year, in 2016-17 the cotton coverage in Tiruvarur district had increased to about 6,900 ha up from about 4,000 ha in the previous year which is about normal for the district.

In the current year, the estimated coverage is 4,200 ha and is coming up for harvest by June-end. It is above average for the district.

In Thanjavur district, the core paddy growing area, in 2016-17 the area was down to about 637 ha due to peak drought and this year it is estimated at 1,100 ha. This is a 10-15 per cent increase over traditional coverage of about 1,000 acres.

Officials agreed there is a potential to expand cotton during a dry spell early in the year.

Ravichandran, who has put together farmers groups in the area in earlier seasons to scale up cotton produce for marketing, said farmers groups in the area had benefitted by coordinating on cotton cropping practices and choice of variety. They were able to sell directly to ginning mills. The mills too were keen on purchasing directly as they get uniform quality of cotton.

Kharif sowing yet to gather pace, early cotton planting affected	**Business Line** https://www.thehindubusinessline.com/economy/agri-business/kharif-sowing-yet-to-gather-pace-early-cotton-planting-affected/article24060845.ece

Despite the early onset of monsoon as forecast by the India Meteorological Department, kharif planting is yet to pick up momentum.

Slow down

The total area covered continues to lag as compared with the corresponding period last year, according to kharif crop sowing data released by the Union Agriculture Ministry on Friday. The area under cotton cultivation was particularly down in Haryana and Punjab, while planting of sugarcane on the other hand was marginally up. The total area planted so far was 72.61 lakh hectares (lh), which is nearly 5 lh lower than the same period last year.

Sugarcane has been planted over 49.32 lh with major producers such as Uttar Pradesh planting 22.17 lh and Maharashtra 9.41 lh.

Losing ground

The cotton area was restricted to less than 10 lh the corresponding period last year being 12.18 lh, the official data showed. In the case of paddy too, there was a major shortfall with the total acreage remaining 2.95 lh as against 5.2 lh previously.

The planting of pulses, coarse cereals and oilseeds too was on a lower side as compared to last year so far.

Cotton acreage to decline 10-12% this kharif season as farmers shy away	Business Standard https://www.business-standard.com/article/markets/cotton-acreage-to-decline-10-12-this-kharif-season-as-farmers-shy-away-118060100565_1.html

Farmers are shifting to other remunerative crops like soybean and paddy in major growing states

Sowing area under cotton is likely to decline by 10-12 per cent this year as farmers shift to other remunerative crops such as soybean and paddy to fetch better prices for their produce.

The area under cotton is likely to decline to 10.7 million ha this year compared to 12.2 million ha last year as distressed farmers in Punjab, Maharashtra, Telangana and Andhra Pradesh have evinced weak interest in this cash crop.

Farmers' dissatisfaction can be attributed to two major factors. Firstly, cotton was heavily impacted by pink bollworm last year which farmers fear spoil the crop this year as well. Secondly, prices remained subdued throughout last year, prompting farmers to look for the alternative crop.

"We estimate at least 10-12 per cent decline in the cotton acreage this year," said Atul Ganatra, President, Cotton Association of India (CIA), the representative body of cotton traders in India.

Farmers are facing a spate of issues such as water shortage, unfavourable weather and the persistent menace of pink bollworm which could dent cotton sowing this kharif season by about 10 per cent as against the previous year. Farmers may shift from cotton to groundnut in Gujarat, paddy in Haryana and soybean in Maharashtra and the Telangana belt as cotton is still not remunerative compared to other options. Similarly, soybean, pulses and sugarcane area could surpass cotton in acreage as prices were firm and pest infestation in those crops are less.

"Cotton prices on the Multi Commodity Exchange of India (MCX) are trading at Rs 21,700 for bales of 170 kg each, up 3.23 per cent year-on-year, well ahead of the kharif season this year. Price outlook remain firm for this year and we can see prices jump 8-10 per cent, as support can be seen on the expectation of lower cotton acreage in India," said Ajay Kedia, Managing Director, Kedia Commodity.

Meanwhile, gains in cotton prices may be capped even as good quality seeds and an improved yield are not making much impact on crop output.

The decline in acreage may lower cotton output proportionately. India's cotton output was estimated at 37.7 million bales in the first advanced estimate by the Cotton Advisory Board (CAB) under the Ministry of Textiles. With monsoons forecast to be normal this year, Kharif output is expected to be bumper this season.

Banana fabric with U.V. resistance in the offing	The Hindu http://www.thehindu.com/news/national/tamil-nadu/banana-fabric-with-uv-resistance-in-the-offing/article24069738.ece

KVIC to also promote honey processing and brass metal craft

The Khadi and Village Industries Commission (KVIC) is scripting innovative plans for the Tamil Nadu market with the belief that the State has potential in three key areas — bee keeping industry, brass metal carving and extracting banana fibre.

“Tamil Nadu is the hub for textiles as well as banana. We want to extract fibre from the banana plant and use it in the textile industry,” said G. Chandramouli, chairman, south zone, KVIC, an organisation of the Ministry of Micro, Small and Medium Enterprises (MSME). KVIC has entered into an agreement with SITRA (South Indian Textile Research Association), Coimbatore, to develop banana fabric and different blendings with silk and cotton. “Relative higher tensile strength, 15.2% moisture regain (cotton has 8.5% moisture regain), thermal resistance, UV resistance and sound proof property of banana fibres in the form of fibres as well as nano-fibrillated cellulose films makes it promising products,” Mr. Chandramouli said.

In the bee keeping space, KVIC is proposing to start an exclusive “honey processing centre” with the help of the State government at Ooty to process the wild honey available at The Nilgiris.

Mr. Chandramouli said that awareness camps were being organised for the Kurumba community people who were professional raw honey hunters. “We have requested certain State governments to use honey in the midday meal schemes as honey can address malnutrition,” he said.

In Tamil Nadu, hill stations such as Ooty, Kodaikanal, Marthandam, Satyamangalam forest area and Madhumalai forest areas are some of the places where natural and wild honey is available.

Thanjavur brass metal carving art is another focus area for KVIC. “We have been doing this for several years now and have even implemented a cluster for development of brass craving,” said Mr. Chandramouli.

He said that Tamil Nadu was the only market for brass metal carving art and the export opportunity was vast in this space.

Fibre skin

KVIC had tied up with Chennai-based Central Leather Research Institute (CLRI).

“CLRI has developed a framework to use skin from chicken legs. We are exploring possibilities of how this can be used. We are studying models to tie up with shoe makers and leather makers for this venture,” Mr. Chandramouli said.

At present, KVIC has 451 sales outlets under Chennai Division and 250 outlets in the Madurai division and intends to scale this up in the coming years.

“We are looking at a franchisee model. Any entrepreneur who wants to start a business can approach us,” Mr. Chandramouli said.

Textile industry in Pakistan an open example of resistance economy	Nationpk https://nation.com.pk/03-Jun-2018/textile-industry-in-pakistan-an-open-example-of-resistance-economy

The textile industry in Pakistan is the largest manufacturing industry in the country and no doubt it is an explicit example of resistance economy.

For years, the textile sector has been the country’s backbone as it provides employment and export revenues. The textile sector in Pakistan contributes 57% to the country’s exports. The textile industry is the second largest employment sector in Pakistan.

Pakistan is the 8th largest exporter of textile commodities in Asia and textile sector contributes 8.5% to the GDP of Pakistan. It is pertinent to mention that the exports of textile products posted a growth of 12.8 per cent year-on-year to $4.4 billion in 2017-18.

The total textile sector exports reached $7.72bn value-wise in July-January 2018 versus $7.2bn in the corresponding period of last year, reflecting an increase of 7.18 pc In the 1950s, textile manufacturing emerged as a central part of Pakistan's industrialization, shortly following independence from the British rule in South Asia. In 1974, the Pakistan government established the Cotton Export Corporation of Pakistan (CEC).

Between 1947 and 2000, the number of textile mills in Pakistan increased from 3 to 600. In the same time spindles increased from 177,000 to 805 million. Cotton spinning is perhaps the most important segment in the Pakistan textile industry with 521 units installed and operational, says a report by IRNA news agency.

Synthetic fibers prepared with nylon, polyester, acrylic, and polyolefin dominate the market. Three types of filament yarn are also produced in Pakistan. These are acetate rayon yarn, polyester filament yarn, and nylon filament yarn. Textile products manufactured from wool are also famous across the country and they include woolen yarn, acrylic yarn, fabrics, shawls, blankets, and carpets.

Artificial silk is also produced in Pakistan. This fiber resembles silk but costs less to produce. There are about 90,000 looms in the country.

There are many famous clothing brands in Pakistan who use locally produced fabrics due to its high quality.

According to consumers the fabric produced in Pakistan is high in quality as compared to fabric produced in other countries. In recent years, Pakistan has faced competition from regional players including Bangladesh, India and Vietnam. Pakistan is currently facing a large-scale energy crisis. The government manages the deficit through daily power cuts (or blackouts). These power cuts have significantly impacted manufacturing industries in Pakistan.

Familiarization event on HEST held at UGC	**UNB** http://unb.com.bd/bangladesh-news/Familiarization-event-on-HEST-held-at-UGC/72280

A day-long familiarization event on 'German-Bangladesh Higher Education Network for Sustainable Textiles (HEST) was held aiming to reduce the skill gap of mid-level managers in textile and Ready-Made Garments (RMG) sectors in the country at University Grants Commission (UGC) office in the city on Sunday.

The programme was jointly organised by University Grants Commission (UGC) of Bangladesh and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to share information about HEST project objectives among its stakeholders. Ministry of Education, UGC and GIZ were jointly implementing the project, said a press release of UGC.

The project was successfully developed three university partnerships with four German and eight Bangladeshi universities including- Hof University of Applied Sciences, Chemnitz University of Technology, Dresden University of Technology, University of Stuttgart from German side and Ahsanullah University of Science and Technology, Asian University for Women, Bangladesh University of Textiles, BGMEA University of Fashion and Technology, Chittagong University of Engineering and Technology, North South University, Notre Dame University Bangladesh and University of Liberal Arts Bangladesh.

Prof Abdul Mannan, Chairman of UGC highlighted the importance and advantages of HEST project and also emphasized on boosting applied research in cooperation with the industry.

Christian von Mitzlaff, Programme Coordinator of GIZ, said that HEST project can play a vital role to reduce the skill gap of the textile industry and address the sustainability challenges of higher education.

Md Abdullah Al Hasan Chowdhury, Additional Secretary of MoE and Dr. Md Khaled, Secretary of UGC also spoke on the occasion. Representatives from Ministry of Education, UGC, World Bank, HEST project's partner universities, industry associations, brands and factories, among others, were also present at the event.

Man-Made Fabrics Have State Lawmakers Vying for Warning Tags	**Bloomberg** https://www.bloomberg.com/news/articles/2018-06-01/man-made-fabrics-have-state-lawmakers-vying-for-warning-tags

Your polyester shirt may soon come with a warning label.

Lawmakers in California and New York have proposed state bills this year to raise awareness of a problem few consumers may have heard of -- synthetic fabrics shedding microfibers into the water system. Reminiscent of the plastic microbeads that were banned from cosmetics, garments made with polymer-based cloth can release as many as 1,900 microfibers per wash that eventually end up in waterways, one study shows.

But research is still at the early stages, and few are in agreement about what the best response is. The bills proposed in those two states suggest requiring that all new clothing made of more than 50 percent synthetic material carry an additional removable tag that reads: “This garment sheds plastic microfibers when washed.” The retail industry is against those proposals, claiming they wouldn’t solve anything -- and could create even more costs and problems.

“There’s a lot of questions we don’t know the answers to,” said Nate Herman, senior vice president of supply chain at the American Apparel and Footwear Association, an industry trade group. “The concern with legislation is that it’s getting ahead of the science.”

Waterway Concerns

Microfibers may pose a threat to waterways and aquatic life, according to activists and supporting research. Less than 5 millimeters long, they’re not filtered by washing machines or water treatment plants and have been found in everything from bottled water to sea salt to fish.

Like plastic microbeads washed down the drain in cosmetics -- which President Barack Obama signed a law to phase out in 2015 -- the fibers are about the size of plankton, and many marine organisms may ingest the material when they’re feeding. They may end up in people as well. About 83 percent of drinking water samples tested around the world contained microplastics, according to a study released last year.

Apparel tags or stickers would be an opportunity to raise awareness that microfiber pollution is a problem in the first place, said Rachel Sarnoff, executive director of the plastic pollution advocacy nonprofit 5 Gyres Institute. Sarnoff’s organization encourages consumers to wash their clothes less often, use efficient front-loading washers and add another filter designed to catch microfibers to their machines.

Her group isn’t trying to get consumers to give up synthetic fibers altogether, but to be more aware of their possible environmental reach.

“There are certain places you’re not going to give up those synthetics,” Sarnoff said. “If you do wear synthetics, it’s good to be aware of their impact, especially when you wash them in a machine. We have to look at ways to control the shedding.”

Bill Response

The New York bill was introduced May 8 by assemblymember Felix Ortiz, who has also tried to eliminate single-use plastic bags in the state. It’s pending with the environmental conservation committee.

California assemblymember Richard Bloom, the author of that state’s bill, also wrote the state act that led to the plastic microbead ban. He said the response from the apparel and retail industry representatives to his bill has been “fairly negative,” with some even denying the problem exists.

Retailers say they want more research on the issue. Laws mandating labels in New York and California would effectively force the companies to label all garments they sell nationwide due to the size of those states. That’s costly, said Herman of the American Apparel and Footwear Association. And dissuading consumers from buying synthetic fabrics doesn’t acknowledge the environmental impacts of other materials, like the volume of land and water required to grow and harvest cotton, he said.

Fabric or Tires?

It’s not even clear that fabrics are the most to blame. It could be that garments become more prone to shed as they age, or that top-loading washing machines agitate pieces into releasing fibers. Car tires have also been linked to shedding microplastics, which could be a big contributing factor to the problem.

“They’re not offering a solution in labeling requirements; it just gives a bad name to polyester clothing without solving the issue,” Herman said. “A label doesn’t educate consumers.”

Retailers prefer the approach presented in Connecticut legislation or a similar tactic suggested in a competing California bill -- increasing research or forming a working group to look into the issue.

Bloom and environmental activists acknowledge synthetic fabrics like polyester will never be banned -- consumers need them for everything from fire safety to swimsuits.

“We’re all wearing polyester clothing, myself included,” Bloom said. Longer term, “this is an issue that demands creativity -- this is an issue we don’t solve by adding a hangtag.”

Kenya unveils plans to revamp ailing cotton industry	**Xinhuanet** http://www.xinhuanet.com/english/2018-06/03/c_137226001.htm

Kenya has announced plans aimed at revamping its ailing cotton sector, a government official revealed on Saturday.

Charles Waturu, Director of Horticulture Research Institute at the Kenya Agricultural and Livestock Research Organization (KALRO), said the sub sector has potentials for the manufacturing industry that is one of the key development agendas of the government.

"We have plans to introduce the development of cotton production using hybrids, which will have three times the production yield," Waturu said during a cotton stakeholders meeting in Nairobi.

He said the government has plans to give incentives to investors to build modern ginneries and textile manufacturing plants as part of the revival drive.

"We intend to increase revenue from textile industry from 35 million U.S. dollars to 20 billion dollars," he added.

He said the East Africa country is also exploring the potential of application biotechnology and other plant breeding techniques to help produce quality seeds. "We have a provisional commercialization of Bt cotton trials road map and has identified in the nine sites for National Performance Trials (NPTs)," he said.

Waturu noted that some 50,000 youths and women are to be trained and 5 million square feet of industrial sheds will be established in cotton-growing regions to boost production.

The scientist observed that additional 500,000 jobs will be created in the sub sector and 100,000 new clothes jobs by the year 2022. "The cotton sub sector can be revived faster with the adoption of modern technology such as biotechnology," said Edward Nguu, professor at the biochemistry department of University of Nairobi.

"Modern technologies are desirable because they are pest resistance, drought tolerance, cold tolerance and reduces the use of herbicides and chemicals in farming," he added.

He noted that the technologies derived from authorized genetically-modified (GM) crops are as safe as conventional varieties and takes a shorter time to achieve desired results.

"Kenya's cotton has been low in competition to the more efficient producers in India, China, Bangladesh and Vietnam," said Dickson Kibata, Technical Advisor on fiber crops from to the Agriculture and Food Authority (AFA).

Kibata said that the leading producers of cotton have in the past years developed integrated strategy that cuts across production and value addition to markets. He attributed low production of cotton to high energy cost, low technology upgradation and competition from cheap imports. "The sub sector has outmoded ginneries, spinning and weaving with only garmenting at the Export Promotion Zones (EPZ) which is modernized," he noted.

He revealed that today, only 30,000 farmers are involved in cotton growing that produces 4,000 tonnes against the market demand of 25,000 tonnes, yet the country has the potential for 200,000 farmers as eligible growers.

Kibata revealed that AFA targets productivity efficiency of 2,500 kilograms per hectares in the future compared to the current 572 kilograms per hectares. "We have started a national cotton classing system through the planting of conventional and hybrid seed varieties," he noted.

Kibata said the Kenyan government is due to launch production of the commodity through irrigation with expectation of 35,000 bales expected to come from irrigation as well as adoption of Bt cotton that is expected to lower the cost of production by 40 percent. He noted that the government recently appointed a 12-member task force to oversee commercialization of Bt-cotton.