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NEWS CLIPPINGS –02-08-2018

Repo rate hike will hit Knitwear sector: Exporters	Business Standard https://www.business-standard.com/article/pti-stories/repo-rate-hike-will-hit-knitwear-sector-exporters-118080101207_1.html

The Federation of Indian Export Organisation, Southern region, today said the RBI's repo rate hike was on expected lines given the inflation outlook while Knitwear exporters in Tirupur expressed concern that the increase in cost of credit would impact the sector.

The FIEO's southern region Chairman A Sakthivel, however, pointed out the tight liquidity conditions faced by the export sector especially, by the MSME, and requested the RBI Governor to bring export credit under priority lending category immediately.

"The unfavourable condition in our major markets, tough competition from neighbouring countries coupled with higher interest cost and deficiency in dispensation of working capital requirement of the exporters strongly argue for the need for placing Export Finance under priority sector lending," he said in a release.

Tirupur Exporters' Association President Raja Shanmugham said the increase in cost of credit would make the export units "un-competitive" and would impact the knitwear garment exports.

In a statement, he said the sector was already struggling due to the price pressure in overseas market.

Real estate major House of Hiranandani said the rate hike was on "expected lines" and added it would impact the revival of the sector.

"Construction activity had started to pick up slowly but the rise will hurt consumer sentiment", Chairman and Managing Director of the company Surendra Hiranandani said in a release.

The RBI today raised its interest rate by 25 basis points on inflationary concerns for the second time in two months.

Cotton and Currency Markets	Kotak Commodities Research Desk For more details contact : Research@kotakcommodities.com & aurobinda.gayan@kotakcommodities.com

A. Cotton		
Spot price (Ex-Gin) 28.5 to29 mm		
Rs/Bale	Rs/Candy	USD Cent/lb
22684	47450	88.29
Domestic Futures (Ex-Gin) July		
Rs/Bale	Rs/Candy	USD Cent/lb
24120	50453	93.88
International Futures		
NY ICE USD Cents/lb. (Dec 2018)		88.34
ZCE Cotton: Yuan/MT (Jan 2019)		16235
ZCE Cotton: USD Cents/lb.		91.82
Cotlook A Index - Physical		96.70
B. Currency		
USD/INR	Close	Previous Close
Spot	68.548	68.680

Cotton Guide:

Cotton future for December contract attempted to hit 90 cent mark but failed to hold the gains. It made an intraday high of 89.98 cent and closed the session lower at 88.34 cents per pound. We think it was the mere profit booking from higher level that led to sharp price correction on Wednesday. The fall in the price is more than 120 points from the previous close and similar kind of movement was witnessed on the other contracts also. We see it minor profit booking however, the broad fundamental continues to hold strong. From the technical perspective it is still above the 50-day moving average meaning the trend is still well respected. On the trading front, estimated volume was at 24,200 contracts, lower than previous day's figure of 26,917. At the time cotton settled, the US dollar was trading higher, as well as wheat while corn and soybeans were trending lower. Total open interest increased by 3,835 contracts to 268,551 (its highest level since June 19). December '18 and March '18 interest increased by 2,046 and 1,709 contracts, respectively, to 178,297 and 55,382. Certificated stocks were last reported at 20,308 bales (their lowest level since October 31, 2017) which included decerts for 116 bales.

On the domestic front, asking rates for Shankar-6 have advanced since previous day to reach a seasonal high point of Rs. 47,900-48000 per candy, ex-gin. At the prevailing exchange rate the equivalent value is approximately 89.10 US cents per pound. Punjab J-34 has also moved higher, to Rs. 4,813 per maund (85.30 cents per pound). The MCX cotton future for October contract ended the session at Rs. 24090 per bale down by Rs. 30 from previous close but it had moved in a wide range of Rs. 23900 to Rs. 24200 per bale.

On the news front, International Cotton Advisory Committee (ICAC) says, in the current cotton season production may be 25.89m tons, down from 25.94m estimated last month, while consumption may rise to a record 27.46m tons from 26.38m year on year. However, the July forecast was 27.42m. Ending stockpiles may be 17.7m tons, down from 17.8m estimate last month. A year earlier, output was 26.87m tons and inventories were 19.29m. “Sour trade relations” between China and the U.S. “show little signs of improving, and could even deteriorate further in the near term, potentially causing major shifts in global trade patterns”. The U.S. may “to seek new markets for its fiber, while other major exporters such as Brazil are expected to fill the void by increasing their shipments to China.

This morning ICE cotton is seen trading slightly lower at 88.26 cents, ZCE cotton future is also down by 140 point and locally in India the currency has appreciates against the USD and trading at 68.29. We believe these factors might keep Indian cotton future under stress on today’s trading session and there can be good amount of profit booking from higher level. Also as we have indicated earlier the MCX cotton price is still trading much higher than the spot price. For the day we expect the trading range would be Rs. 23800 to Rs. 24100 per bale. Note: If the Indian cotton spot price continues to hold strong then the fall in the future might be restricted.

FX Guide:

ndian rupee has appreciated by 0.2% to trade near 68.3 levels against the US dollar. Rupee has benefitted from RBI’s interest rate hike and sharp decline in crude oil price. RBI raised interest rate by 0.25% to 6.5% to rein in inflation and stem investor outflows. Brent crude slumped below $73 per barrel on unexpected rise in US crude oil stocks and concerns about US-China trade conflict. However, weighing on rupee is Fed’s monetary tightening stance and weakness across equity market and downbeat monsoon outlook. Fed kept interest rate unchanged at 1.75-2% yesterday but reiterated optimism about US economy keeping expectations high of two more rate hikes this year. Global equity markets are under pressure due to concerns about China and US threat to propose 25% import duty on $200 billion Chinese goods. Private weather forecaster Skymet revised its monsoon rain forecast from normal to below normal on Wednesday. Skymet had in April predicted that rainfall in the June-to-September monsoon season will be 100% of the Long Period Average but revised it downward to 92%. Deficient rains could keep inflation high. Rupee has opened on a firm note but the gains may not sustain given weaker risk sentiment. USDINR may trade in a range of 68.2-68.55 and bias may be on the upside.

Textiles, apparel exports fall by nearly Rs 8000 crore in financial year 2018: Government	**Indian Express** http://www.newindianexpress.com/business/2018/aug/01/textiles-apparel-exports-fall-by-nearly-rs-8000-crore-in-financial-year-2018-government-1851862.html

The country's textiles and apparel exports stood at Rs 2,37,922 crore in 2016-17, Minister of State for Textiles Ajay Tamta said in a written reply to the Rajya Sabha.

Textiles and apparel exports dropped by nearly Rs 8,000 crore to Rs 2,30,056 crore in 2017-18 owing to competition from emerging economies like Bangladesh and Sri Lanka which enjoy preferential duty access in key markets, the government said today.

The country's textiles and apparel exports stood at Rs 2,37,922 crore in 2016-17, Minister of State for Textiles Ajay

Tamta said in a written reply to the Rajya Sabha. Replying to another query, the minister said that during the current cotton season (October 2017 to September 2018), shipments of cotton from the country are expected to touch 70 lakh bales, registering a 20 per cent increase over the previous season. According to Tamta, while 51.2 lakh bales have been exported up to April 30, 2018, no target as such has been set for cotton exports. Besides, he said there is no proposal to frame a separate policy for export of cotton, as its shipments are dependent on various factors including demand and supply conditions and the ruling domestic prices vis-a-vis international prices.

Bangladesh remains the second biggest apparel exporter	**The Daily Star** https://www.thedailystar.net/business/export/bangladesh-remains-the-second-biggest-apparel-exporter-1614856

Bangladesh held on to its status as the second biggest apparel supplier in the world in 2017, accounting for 6.5 percent share of the market, according to data from the World Trade Organisation (WTO).

In 2017, Bangladesh exported garment items worth $29 billion, the data said. In 2016, Bangladesh's share of the global apparel market was 6.4 percent. China remained the largest apparel supplier globally, although its share shrank to 34.9 percent. The value of exported clothing items from China last year was $158 billion.

Vietnam came in third with its 5.9 percent market share, the WTO data said. It exported $27 billion worth of garment products in 2017.

Neighbouring India, with its garment exports of $18 billion in 2017, ranked fourth. Turkey came fifth with a 3.3 percent market share.

The WTO data also showed that in 2017 the top 10 exporting nations' share was 87.8 percent and the value was $457 billion.

“We have a bright future in apparel business but we need to do a lot more homework,” said Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the garment makers' platform.

He went on to call for improvements in roads and highways, airport and sea port in Chittagong for faster movement of goods and reducing the cost of doing business. In so doing, the country will maintain its competitive edge over Vietnam, Turkey, India and the rest.

Another factor that consolidated Bangladesh's position in global apparel trade is its bulk order for value-added items in recent times.

As much as 40 percent of Bangladesh's garment exports comprise value-added items, which fetch more money for exporters. In the immediate past fiscal year, garment shipments brought home $30.61 billion, up 8.76 percent year-on-year, according to data from the Export Promotion Bureau. It also beat the target of $30.16 billion.

The buyers are coming here with bulk of work orders as the country's image has now brightened after the near-completion of factory remediation as per the recommendations by the Accord and Alliance.

Almost all top clothing retailers like H&M, Walmart, JC Penney, Inditex, Zara, Gap, M&S, Uniqlo, C&A, Tesco, Hugo Boss and adidas have been souring billions worth of garment items from Bangladesh every year.

Rising garment shipments to new and emerging Asian markets such as India, China and Japan have also contributed to the higher earnings.

RPT-India's monsoon rain forecast cut, farm output seen at risk	Reuters https://in.reuters.com/article/india-monsoon/rpt-indias-monsoon-rain-forecast-cut-farm-output-seen-at-risk-idINL4N1US3CZ

India is likely to receive below-normal monsoon rains in 2018, a private weather forecaster said on Wednesday, raising concerns over farm output and economic growth in Asia's third-biggest economy, where half the farmland lacks irrigation.

The monsoon delivers about 70 percent of India's annual rainfall, critical for the farm sector that accounts for about 14 percent of India's $2 trillion economy and employs more than half of the country's 1.3 billion people.

Lower rainfall could raise the price of food, which is weighted at nearly half of the consumer inflation index, and could add to pressure on central bank to raise interest rates.

India's June-September monsoon season is likely to see only 92 percent of the long-period average (LPA) rainfall, down from earlier forecast of 100 percent, weather agency Skymet said in a statement.

India's weather office defines average, or normal, rainfall as between 96 percent and 104 percent of a 50-year average of 89 cm for the entire four-month season.

"The south-west monsoon is likely to go into a prolonged weak phase during August," Skymet said.

In August and September India could get 88 percent and 93 percent rainfall respectively of the LPA, the agency said.

"As of now, the oceanic parameters are not at all favourable for enhancing monsoon rains during the second half of the season," said Jatin Singh, managing director of Skymet.

In the first half of monsoon season India received 6 percent less rainfall than normal, according to the official state-run India Meteorological Department (IMD), which has forecast 97 percent rainfall during the season.

India's 260 million farmers depend on monsoon rains to grow crops such as rice, sugar cane, corn, cotton and soybeans.

Lower farm incomes due to scanty rains could hit the demand for an array of consumer goods.

Sowing of summer-sown crops has already been delayed by low rainfall in a few southern and northern parts the country.

Farmers have planted summer crops on 73.8 million hectares of land as of July 27, down 7.5 percent from a year ago, the Department of Agriculture Cooperation and Farmers Welfare said.

India is the world's biggest producer of cotton, pulses and second biggest producer of sugar and rice. It is also the world's biggest importer of edible oils such as palm oil and soyoil.

Textile body meets Finance Minister Yanamala Ramakrishnudu over VAT notices	**The Hans India** http://www.thehansindia.com/posts/index/Amaravati-Tab/2018-08-02/Textile-body-meets-Finance-Minister-Yanamala-Ramakrishnudu-over-VAT-notices/402805

The Andhra Pradesh Textile Federation representatives from across the state thanked the AP Finance Minister, Yanamala Ramakrishnudu for assuring them that there would be no notices from the tax department to pay VAT.

The federation president, Busireddy Malleswara Reddy on Wednesday said that the representatives from Visakhapatnam, East Godavari, Chittoor, Kurnool, Krishna and Guntur met the minister and commissioner at his office and informed that they were served notices to pay VAT, when the VAT for Textiles products was cancelled.

Cotton textile exporters demand tax refund on inputs already acquired	**Business Standard** https://www.business-standard.com/article/news-ians/cotton-textile-exporters-demand-tax-refund-on-inputs-already-acquired-118073101203_1.html

Cotton textile exporters on Tuesday urged the Goods and Services Tax (GST) Council to allow accumulated "Input Tax Credit" (ITC) on fabrics available with weavers as on July 31 for adjusting GST payment on outward supplies - both domestic and export. Although the GST Council, on July 26, recommended to allow refund of unutilised ITC to taxpayers in the textiles sector, the notification had, however, also stated that the accumulated credit lying unutilised as on July 31, 2018 will lapse.

"This will lead to serious problems for the textiles sector as the costs will go up on the available stocks as on July 31, 2018," Cotton Textiles Export Promotion Council (TEXPROCIL) Chairman Ujwal Lahoti said in a statement.

According to Lahoti most of the dyes and chemicals, packing materials, fibre and yarn used by the textiles sector attract 12 per cent to 18 per cent GST, whereas the rate on fabrics is only 5 per cent leading to accumulated ITC on account of inverted duty structure.

The "Section 54" of the CGST Act allows "refund of unutilized Input Tax Credit shall be allowed where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on output supplies," the statement said. While the government's intention is to bring down the cost of products by providing the refund of accumulated ITC, it appears the government took the decision to make accumulated credits till July 31 null and void due to some technical reasons, Lahoti said.

"Fabric manufacturers have paid the GST on all their inward supplies - both goods and services and have legitimately taken the Input Tax Credit and, therefore, these Input Tax Credits should not be denied on fabrics by making them null and void," he added.

Centre clears GST refund worth Rs 543.78 bn of exporters till July end	Business Standard https://www.business-standard.com/article/economy-policy/centre-clears-gst-refund-worth-rs-543-78-bn-of-exporters-till-july-end-118080101419_1.html

GST refund claims of Rs 543.78 billion of exporters have been cleared by the Centre and state tax officials till July end, the finance ministry said on Wednesday. As of July 31, 2018, the total amount of Integrated GST (IGST) refund claims disposed by CBIC is Rs 298.29 billion, taking the disposal rate to 93 per cent.

Besides, Rs 245.49 billion has been paid on account of Input Tax Credit (ITC) to exporters who claimed refund by filing RFD-01A. Of this, the Central Board of Indirect Taxes and Customs (CBIC) has cleared Rs 160.74 billion, while the state authorities have refunded Rs 84.75 billion.

"The CBIC has successfully concluded the Third Refund Fortnight from July 16-31, 2018. Till July 31, 2018, the total GST refunds disposed by the Centre and the States are to the tune of Rs 54,378 crore (543.78 billion)," the finance ministry said in a statement. During the third refund fortnight, the IGST refunds of amount Rs 33.91 billion have been sanctioned by CBIC.

"The remaining GST refunds pending with CBIC will continue to be processed expeditiously. However, the exporters are requested to ensure that the correct procedure of filing returns, giving accurate information in Shipping Bill and submitting RFD01A Application Forms to the jurisdictional formations are followed for quick disbursal of their GST refund claims," the ministry added.

Roadshow on fibre textile exhibition	The Hindu https://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/roadshow-held-on-fibre-textile-exhibition/article24577418.ece

The third edition of 'Source India,' India's largest sourcing show for man-made fibre textile products, would be held in Surat from September 21 to 23, said Ronak Rughani, Vice-Chairman, Synthetic and Rayon Textiles Export Promotion Council.

Speaking at a roadshow conducted in association with Southern India Mills' Association (SIMA) here on Tuesday, Mr. Ronak said manufacturers and exporters of man-made fibre textiles, including yarns, fabrics, apparels, made-ups, home textiles, technical textiles and accessories, would be showcasing their products at Source India.

More than 200 buyers from 40 countries were expected to visit the event, expected to attract 5,000 visitors, including domestic buyers, representatives of Indian and international buying houses, procurement managers from large retail brands, sourcing agents, industry heads and business leaders, he said.

D. Jayaraman, Head-Spinning, South India Textile Research Association (SITRA), gave a presentation on 'Market potential and emerging trends in textile trade.

Cabinet clears changes to GST laws relating to composition scheme, others	Business Standard https://www.business-standard.com/article/economy-policy/cabinet-clears-changes-to-gst-laws-relating-to-composition-scheme-others-118080100579_1.html

The amendments were cleared in a meeting chaired by Prime Minister Narendra Modi, said an official source

The Cabinet on Wednesday approved GST laws amendments which included hiking threshold limit for availing composition scheme for dealers to Rs 15 million, among other things.

The government will now table amendments to the Central GST law, Integrated GST law, Compensation Cess law in the ongoing monsoon session of Parliament.

GST laws amendments have been cleared, an official source said after the Cabinet meeting chaired by Prime Minister Narendra Modi.

In all, there are 46 amendments, which among other things, will allow employers to claim input tax credit on facilities like food, transport and insurance provided to employees under any law.

It also provides for modification of reverse charge mechanism, separate registration for companies having different business verticals, cancellation of registration, new return filing norms and issuance of consolidated debit/credit notes covering multiple invoices

India's Cotton Consumption Estimated At 315.50 Lakh Bales In 2017-18	Business Standard https://www.business-standard.com/article/news-cm/india-s-cotton-consumption-estimated-at-315-50-lakh-bales-in-2017-18-118080100380_1.html

The total domestic consumption of cotton in the country during 2017-18, as estimated by Cotton Advisory Board (CAB) in its meeting held on 16.6.2018, is 315.50 lakh bales. The Government has been implementing Cotton Development Programme with a focus on cropping system approach under National Food Security Mission (NFSM) in major cotton growing states since 2014-15 to enhance production and productivity. Thrust has been given on transfer of technology through frontline demonstrations and training in order to extend benefits to farmers. In addition, States can support Cotton Development Programme under Rashtriya Krishi Vikas Yojna.

Further to provide remunerative prices to cotton cultivators in the country, Government has fixed the Minimum Support Price (MSP) of Cotton for 2018-19 season at Rs. 5150/- per quintal for medium staple and at Rs. 5450/- per quintal for long staple. This provides margin of 50 percent over all India paid out cost including family labour.

As a result of various initiatives taken by the Government, India has become a major cotton producer in the world and is also a net cotton surplus country. The total cotton production and consumption in the country during the current crop year i.e. 2018-19 is not available. However, State-wise estimated production of cotton, as per the Third Advance Estimates for the year 2017-18 is 348.62 lakh bales.

Prez to Inaugurate MSME Summit on August 10	Daily Pioneer https://www.dailypioneer.com/state-editions/lucknow/prez-to-inaugurate-msme-summit-on-august-10.html

President Ram Nath Kovind will inaugurate a MSME summit for promoting `One district, one product' scheme in Lucknow on August 10.

Aimed at boosting micro, small and medium enterprises, the Summit would be corollary to UP Investor's Summit held in Lucknow in February.

The ODOP was designed to promote traditional industries and spur local economy and the scheme seeking international branding was launched on January 25 this year.

MSME and Khandi and Village Industries minister Satyadeo Pachauri said in Lucknow on Wednesday that President Ram Nath Kovind will formally inaugurate the summit on August 10 and distribute loan sanction papers worth Rs 500 crore to beneficiaries of ODOP scheme. Pachauri said that ministers in-charge of districts will also distribute loans to beneficiaries of the scheme. He said that tool kits will also be provided to entrepreneurs of cottage and handicrafts.

The minister said that beneficiaries of ODOP scheme from Varanasi, Gorakhpur, Moradabad, Agra and Kanpur will also share their experience with the President. He said that arrangements were being made for live telecast of the programme across the state which will be held at Indira Gandhi Pratishthan, Lucknow.

The President will also inaugurate a three-day exhibition where one product from each district would be put on display. Pachauri said that 8 technical sessions would he organized during the Summit on subjects like handloom, textiles craft, tourism, agro and food processing, credit and finance. He said that the Summit will be the first of its kind by any state government in the country and was expected to give a big boost to MSME and handicrafts in the state.

MSME sector is the backbone of UP's industrial landscape and contributes 60% to its annual industrial output by employing around 4 crore people and generating direct economic activity worth Rs 1.2 lakh crore annually.

The state is home to over 50 Lakh MSMEs and the sector is the second largest employer after agriculture, making it imperative for any development roadmap, especially in the backdrop of the government targeting to generate 20 lakh jobs in the next four years.

The MSME department is also pursuing investment proposals received at Investors Summit in February, so that they could translate on the ground soon. The sector had netted investment proposals worth over Rs 60,000 crore. In all, investment commitments of Rs 4.68 lakh crore were signed during the UP Investors summit.

UP is famous for product specific traditional industrial hubs across 75 districts viz. Varanasi (Banarasi silk sari), Bhadohi (carpet), Lucknow (chikan), Kanpur (leather goods), Agra (leather footwear), Aligarh (lock), Moradabad (brassware), Meerut (sports goods), Saharanpur (wooden products) etc.

Domestic Factory PMI Records 12th Consecutive Month Of Expansion	**Business Standard** https://www.business-standard.com/article/news-cm/domestic-factory-pmi-records-12th-consecutive-month-of-expansion-118080100572_1.html

Domestic factory production slowed down as the Nikkei India Manufacturing Purchasing Managers' Index (PMI) came in at 52.3 in July, down from 53.1 in June. However, the index still recorded its 12th consecutive month of expansion. Output and new orders rise at slower, but marked rates while the input cost inflation eased from June's near four-year high.

Manufacturing conditions across India improved at a modest and slower pace at the start of the quarter, reflecting softer rises in output, new orders and employment. On the price front, input cost inflation eased from June's multi-year high and was broadly in line with the series trend. Subsequently, firms raised their output charges at a modest and slower pace. Meanwhile, business sentiment towards the 12-month outlook for output strengthened to a three-month high.

This index is based on the survey conducted among purchasing executives in over 400 companies. These companies are divided into eight broad categories: Basic Metals, Chemicals & Plastics, Electrical & Optical, Food & Drink, Mechanical Engineering, Textiles & Clothing, Timber & Paper and Transport. An index over 50 shows expansion, while one below 50 stands for a contraction. The index is prepared by IHS Markit and released along with a detailed report.

Upgradation of power looms	**PIB** http://pib.nic.in/newsite/PrintRelease.aspx?relid=181298

The Government is implementing Power Tex India, a comprehensive scheme for power loom sector development.Under the scheme, existing plain powerlooms are upgraded to semi-automatic and shuttleless looms to improve quality and productivity, by providing financial assistance to powerloomunits. So far, more than 2.16 lakh looms have been upgraded in the country under the in-situ upgradation component of the scheme.

For implementing Amended Technology Upgradation Funds Scheme (ATUFS), a comprehensivei-TUFS software has been developed. Through the iTUFS software, the beneficiary units can directly upload their applications. The beneficiary units can also track their application at each stage of the process.

India is the largest producer of cotton in the world. The production of cotton during cotton season 2017-18 of major countries is given below:

India is the second largest exporter of textiles in the world. During 2017-18, India exported cotton textiles volume at USD 1854 million to Bangladesh and USD 1020 million to China.During 2013-17, man-made fibre (MMF) exports of China have grown at a CAGR of 2%,while India's MMF exports have grown by3% during the same period.

This information was given by the Minister of State of Textiles, Ajay Tamta, in a written reply in the Rajya Sabha today.

Telangana leads southern Indian states in power sector demand growth	Business Standard https://www.business-standard.com/article/economy-policy/telangana-leads-southern-indian-states-in-power-sector-demand-growth-118080101321_1.html

Power utilities in Telangana met a record peak demand of 10,429 mw on Tuesday even as the state was leading the southern region in accelerated demand growth, particularly after the launch of 24/7 free supply to agriculture last year.

With the dramatic rise in availability and supply of power after the Andhra-Telangana bifurcation, the two states today account for 42 per cent of the total demand in the southern region comprising six states. In 2013, just a year before the bifurcation, the undivided Andhra Pradesh accounted for about 33 per cent of southern India's power demand.

Chief Minister K Chandrasekhara Rao complimented state power utilities for surpassing the 10,000 mw demand (being met), a feat once achieved in the undivided state, through a substantial capacity addition and purchase of power from surplus states such as Chhattisgarh after the formation of the new state.

Currently, the per capita consumption in Telangana is 33 per cent higher than the national average, and is an important index of the development, Rao said on Tuesday.

After the free power scheme was upgraded to 24/7 supply in June, the power demand in Telangana jumped 33 per cent to 9,326 mw (July 31, 2017) from a peak summer demand of over 7000 mw in May last year. This had taken Telangana to the second spot in the region, next only to Tamil Nadu (14,260 mw), as it surpassed the demand of 9000 mw registered in Karnataka while leaving its sibling AP state, which had a peak demand of around 7000 mw, far behind.

Exactly year later, on July 31, 2018, the power demand was up by 11 per cent in Telangana (10429 mw), 18 per cent in AP (8550 mw), 2.92 per cent in Karnataka (9241 mw), 4.7 per cent in Tamil Nadu (14265 mw) and by 6.4 per cent in Kerala (3217 mw), showing a faster demand growth in Andhra and Telangana compared to other states in the region. Of 44821 mw of maximum demand met by the southern grid on Tuesday, the two states accounted for close to 19,000 mw, as per Southern Regional Load Despatch Center's data.

According to the state power utilities, the three major sectors --- industry, agriculture and household consumption --- have been contributing 30 per cent each to the total demand while the remaining 10 per cent demand has been coming from trade and businesses. The state government expects the power demand to further go up to 11,500 mw during the ongoing kharif season.

Though power utilities and the government will have to take an extra financial load to the extent of increase in free power consumption, the demand growth itself was perceived as a major achievement by the political leadership for more than one reasons, according to industry observers. One such reason is that the demand growth would justify a massive capacity addition being undertaken in the form of coal-fired power plants by the state government.

The TS Transco and TS Genco chairman and managing director, D Prabhakar Rao, recently stated that the installed capacity under various sources in the state would reach 17,000 mw by December 2018 while the target was to increase this capacity to 28,000 mw three-four years down the line.

The ongoing capacity addition was also aimed at securing power to operate massive lift irrigation projects currently underway. About 9,000 mw of power is supposed to be required to run these lift irrigation projects.

Weavers demand GST exemption on handloom products, raw materials	**The Hindu** https://www.thehindu.com/news/cities/Vijayawada/weavers-demand-gst-exemption-on-handloom-products-raw-materials/article24576069.ece

Silk yarn depot in Chirala, facelift of Neta Bazar other demands

Ahead of the National Handloom Day celebrations in Chirala, weavers there will press for repealing the GST on yarn, dyes and fabric handloom products .

Faced with competition from mechanised looms, 50,000 looms in and around Chirala have dwindled to 10,000 facing hurdles in sourcing raw material and in finding market for environment-friendly products.

“We add value to our products and go all out to woo health-conscious customers by using organic cotton and vegetable dyes. Yet, we are finding it hard to survive because of competition from power looms,” Indira Abhyudaya Silk Handloom Weavers Co-operative Society president B. Shyam Sundar told *The Hindu*.

The Neta Bazar in Chirala needed a facelift to improve the market for them, he said

Wait for soft loans

As weavers are forced to go to Bengaluru and Dharmavaram to procure silk yarn, “It is high time a silk yarn depot is set up in Chirala itself,” said Mr. Sundar, adding that the 20% incentive promised by both the governments on products sold by them remained unpaid for three years. A bank for soft loans to weavers was pending.

“For products sold through the Andhra Pradesh State Handloom Weavers Cooperative Society, we wait for payment for more than 10 months,” said Jawala Narasimham, weaver.

Subsequent generations were changing professions as weaving was no longer lucrative and viable, said M. Gourishankar of the Sitaramaraju Handloom Weavers Cooperative Society.

The governments should provide house-cum-worksheds on a saturation basis since at least 2,000 applications were pending, added K. Lakshma Rao.

Govts blamed for declining textile exports	The Nation https://nation.com.pk/02-Aug-2018/609275

Faisalabad Chamber of Commerce and Industry (FCCI) blamed lukewarm attitude of previous governments for impairing the textile exporters' ability to maintain their presence in international markets thus decreasing export from $26 billion to $18 billion.

Addressing a meeting of the textile millers before his departure abroad, FCCI President Shabbir Hussain Chawla said that government in-waiting should start homework right now to announce special package based on already formulated PTI Textile Policy so that it could be implemented immediately with the taking over of powers by the PTI government in centre.

He said that this decline plunged the national economy in deep crisis and despite of pressing demands of the textile sector, the declining trends continued to prevail as governments took only cosmetic steps to the satisfy the business community. He said that on the other hand our regional competitors including Bangladesh captured our markets and now its textile export have jump to 30 billion dollar while Pakistani exports are dwindling far behind.

He further pointed out that import export gap has also further widened posing a serious threat to the economic viability of Pakistan. He appreciated the efforts of PTI to restore the textile sector on sound footings and said that renowned businessman Zafar Iqbal Sarwar had formulated the PTI textile policy which was dually presented and appreciated by its Chairman Imran Khan.

He said that now as the PTI has made a clean sweep in general election and was ready to form the new government; it should divert its entire focus on the revival of textile sector which is the only available option to restore the national economy within shortest possible time.

He said that in order to implement this policy PTI should nominate Zafar Iqbal Sarwar as "Textile Adviser" so that he could ensure necessary measures to revive the textile sector which was passing through a protracted crisis.

He also demanded that Pakistan government should have to provide the same incentive to our textile exporters as are being enjoyed by the exporters of other regional countries. He further said that nomination of Zafar Iqbal as advisor will not only pave way for the expeditious implementation of PTI textile policy but also give due representation to the textile sector of the Faisalabad in the federal cabinet.

Turkey's exports soar 11.8 percent in July to record $14.1 billion	Daily Star https://www.dailysabah.com/economy/2018/08/01/turkeys-exports-soar-118-percent-in-july-to-record-141-billion

Turkey's exports rose 11.8 percent in July, reaching $14.1 billion — the highest figure ever for the month of July, Turkish Exporters' Assembly (TIM) data showed Wednesday.

Provisional export figures were announced by Trade Minister Ruhsar Pekcan and TİM Chairman İsmail Gülle at a meeting in the ministry in the capital Ankara.

The largest jump in exports was seen in the defense and aviation sectors, with a 38.3 percent rise. Following defense and aviation, the exports of boats and yachts saw an increase of 64 percent, while steel exports rose 60 percent.

According to TIM data, the country's exports in the first seven months of 2018 increased by 7 percent to climb to \$96.3 billion. Exports in the last 12 months rose 8.1 percent, reaching \$163.3 billion.

The highest monthly figure was previously registered in 2014 when exports reached \$13.3 billion. Thus, the July figures correspond to an increase of \$761 million compared to the same month in 2014.

Moreover, Turkey saw records broken every month this year, except June. In addition, a \$15 billion-barrage in exports was exceeded for the first time on a monthly basis in March.

Meanwhile, Turkey's imports in July stood at 20.1 percent, falling 6.4 percent as the rate of exports meeting imports jumped to 70.1 percent from 58.7 percent.

On a sectoral basis, the automotive sector again registered the highest export numbers, leading the way at \$2.8 billion, according to the TİM chairman, who said the figure corresponded to an increase of 13.8 percent year-on-year. The automotive sector was followed by ready-made and garment with \$1.6 billion and chemicals with \$1.5 billion.

According to TurkStat, exports hit an all-time high of \$157.6 billion in 2014. They reached nearly \$157 billion last year. The country wants to achieve a record \$170 billion in exports by the end of this year.

In terms of markets, Turkey exported to 223 destinations in the world in July with Gülle noting Turkey increased exports to 170 of them. Again, Germany led the way, followed by the U.K., the U.S., Italy and Iraq.

Gülle added that increases in exports to countries such as Oman were up fourfold. Among others, exports to Libya increased threefold, while exports to Columbia, South Korea and India saw a two-and-a-half fold increase in July.

The European Union was again leader among country groups. Exports to the bloc were up 15 percent, reaching \$6.9 billion in June, the TİM chairman said, adding that the share of the bloc in total exports stood at 48.7 percent.

He added an increase of 42.6 percent increase in exports to Africa where President Recep Tayyip Erdoğan paid an official visit on June 25-28. Exports to the continent reached \$1.2 billion in July.