The Southern India Mills' Association
Post Box No. 3783, 41 Race Course, Coimbatore - 641 018
Phone: 0422 4225333 | Fax: 0422 4225366
E-mail: info@simamills.org | Web: www.simamills.org

NEWS CLIPPINGS –18-12-2018

India's potential for export to SAARC countries must be tapped : Suresh Prabhu	Dairy News http://www.5dariyanews.com/news/255580-Indias-potential-for-export-to-SAARC-countries-must-be-tapped-Suresh-Prabhu

In order to incentivise and encourage Indian companies to compete globally by improving theirexports, the Commerce Ministry is working on various fronts like creation of new policies, improving Ease of Doing Business, scrapping irrelevant regulations and formulating the concept of growth of GDP in every district of the country. This was stated by Union Minister of Commerce & Industry and Civil Aviation, Suresh Prabhu, in New Delhi today. The Minister was speaking at the inauguration of the National Forum organized by Department of Industrial Policy & Promotion (DIPP) and Confederation of Indian Industry (CII) where discussions were held on India moving towards 'USD 1 Trillion manufacturing economy by 2025'.The Minister further stated that India has not realized its full potential of exports and cooperation with neighbouring countries like Bangladesh and Sri Lanka and we must strive to work closely with these countries who have managed to become a part of the global value chain in industries like textiles.As the Indian economy continues its growth trajectory and strives to reachUSD 5 trillion by 2025, the manufacturing sector is expected to play a key role by contributing USD 1 trillion to the overall target, requiring the sector to grow 2.5 times in next 7 years.

The country needs to build further momentum and target at maximizing local value add, creating scale, capturing global market share and fulfilling India's job creation needs.Prime Minister of India on many occasions has reiterated the need to collectively work towards realising the goals of Make in India and make the country a global manufacturing & innovation hub. To further strengthen an integrated approach, DIPP with the CII in close association has initiated the exercise towards developing a roadmap for achieving USD 1 Trillion Manufacturing Economy and has designed an action-oriented national level Workshop-cum-policy dialogue forum involving key manufacturing sectors.The two-dayforum will discuss issues that are restricting growth in the manufacturing sector, identify growth drivers and create the roadmap. The sectors shortlisted for the roadmap based on their contribution, size and potential are automotive, textiles, chemicals, electronics, capital goods, food processing and metals & mining. In addition, there will be a significant focus of this exercise on various horizontal pillars of manufacturing, including cost of doing business, EoDB and trade policy, technology and R&D, job creation and skilling.The inputs derived from the deliberations will make space in the actionable roadmap, which, as an outcome of the 2 days-workshop would be shared with the key nodal ministries, DIPP and PMO.

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
21148	44200	78.22
Domestic Futures (Ex-Gin) November		
Rs/Bale	Rs/Candy	USD Cent/lb
21890	45750	80.96
International Futures		
NY ICE USD Cents/lb. (Dec 2018)		78.54
ZCE Cotton: Yuan/MT (Jan 2019)		15355
ZCE Cotton: USD Cents/lb.		101.09
Cotlook A Index - Physical		87.80 (+0.05)
B. Currency		
USD/INR	Close	Previous Close
Spot	71.26	71.55

Cotton Guide:

The most active contract ICE March fell by 106 points at 77.90 cents/lb, settling at 78.54. The trading range for ICE March contract was between 79.80 and 77.90 cents/lb. The other ICE future contracts also plunged between (-46) and (-95) points. The reason for such a drastic fall was attributed to a drop in US Equity of more than 2% overnight, a probable shutdown of the US government over issue the Border wall, a probable hike in interest rates by the Fed, and falling Crude Prices (WTI below 50).

MCX December contract plunged by (-190) Rs to 21890 Rs/Bale. January, February and March contracts also showed negative figures of (-170), (-160), (-50) at 22150, 22380, 22550 Rs /Bale respectively. December contract Volume saw a rise of 969 at 2853 lots and Open Interest saw a decline of (-565) at 4361 lots.

Arrival figures are estimated to be 172,500 lint equivalent bales (source cotlook) and prices of Shankar 6 at an average were around 44200 Rs/Candy. Cotlook index A is adjusted at +0.05 at 87.80 cents/lb CFR Far Eastern ports.

When we speak of correlations among commodities, the highest is usually witnessed between crude and cotton. Falling crude prices has therefore had an impact on cotton prices. Cotton has plummeted as a result. Fundamentally speaking there was not much change witnessed in the supply and demand factors for cotton. However, here correlation has resulted in victory for the bears.

On the Technical front, ICE March futures witnessed decline as it breached the crucial support at 78.40. The downside support for the March futures exists around 77.20, followed by 76.50. Likewise immediate resistance exists around 80.20 and 81.20. Meanwhile RSI in daily charts as trading below 45, suggests a phase of weakness in coming 1 or 2 trading sessions. So in a near term price is expected to trade in the range of 77.20-81.20 with sideways to downside bias. The cotton market is expected to be labile in a 4 cent range today. In the domestic markets trading range for the day will be 21,550-22,010 Rs/Bale.

Currency Guide

Indian rupee- Indian rupee has opened 0.3% higher in early trades today to trade near 71.34 levels against the US dollar. The major factor lending support to the currency is weakness in global crude oil prices. Brent crude is trading 1% lower today following more than 1% slide yesterday amid worries of oversupply in face of weakening demand. Also supporting Indian Rupee is retreat in US Dollar amid caution ahead of US FOMC meeting tomorrow. Uncertainty over Fed's stance on pace of future rate hike is weighing on US Dollar. The gains in Rupee may however be capped amid weakness in domestic equity markets following 2% drop in US indices overnight. For the day we expect Rupee to witness mixed movement amid mixed cues. USDINR may trade in a range of 71-71.5 and bias may be on the downside.

Commerce Ministry working on new e-commerce policy to boost online retail	**Business Standard** https://www.business-standard.com/article/current-affairs/commerce-ministry-working-on-new-e-commerce-policy-to-boost-online-retail-118121701192_1.html

The commerce and industry ministry is working on a new e-commerce policy to boost the fast-growing online retail as well as protect the interest of small retailers, sources said.

The government has already set up a group of secretaries to look into the issues of the sector.

The ministry is committed to preparing the policy to boost the growth of the sector, sources said.

The move came after concerns were raised on some proposals of the draft e-commerce policy, which was prepared after consultations with several stakeholders, including industry chambers.

The draft e-commerce policy had suggested several steps to promote the growth of the sector. It had stated that online retail firms may have to store user data exclusively in India in view of security and privacy concerns.

It had also said that any group company of an online retailer or marketplace may not be allowed to directly or indirectly influence the price or sale of products and services on its platform, a move that could completely restrict e-tailers from giving deep discounts.

The draft had suggested to introduce a pre-set timeframe for offering differential pricing or deep discounts by e-commerce players to customers.

Meanwhile, Commerce and Industry Minister Suresh Prabhu informed Parliament the formulation of e-commerce policy is under consideration of the government for which no timeline has been fixed.

Traders body Confederation of All India Traders (CAIT) has time and again raised concerns over heavy discounts being provided by certain online-retailers.

CAIT Secretary General Praveen Khandelwal said that they have written to finance and commerce ministers suggesting them to take steps to check these discounts as they are leading to predatory pricing.

"We have recently met officials of the ministry, who are making the new e-commerce policy. We have urged to put certain clauses to check e-commerce firms giving huge discounts and freebies as it is damaging the trade fabric of the country," he said.

He added that e-tailers are giving discounts for the last four-five years and these were seriously damaging small retailers.

Framing of a new policy also assumes significance as rich member nations of the World Trade Organisation (WTO) are pushing to frame global norms for e-commerce trade.

FDI Rises To USD 60.97 Billion In 2017-18	**Business Standard** https://www.business-standard.com/article/news-cm/fdi-rises-to-usd-60-97-billion-in-2017-18-118121700533_1.html

Foreign Direct Invest (FDI) has increased constantly from USD 45.15 billion in 2014-15 to USD 60.97 billion in 2017-18. This information was given by Minister of State for Commerce & Industry C.

R. Chaudhary in a written reply in the Lok Sabha. To boost the investment environment and to bring in foreign investments in the country, the Government has brought in FDI related reforms and liberalized various sectors of the economy. Government plays an active role in investment promotion through dissemination of information on the investment climate and opportunities in India, and by advising prospective investors about investment policies.

US and China trade barbs at WTO amid calls for reform	**Live Mint** https://www.livemint.com/Politics/3NUAdybyp1djvjbhFIFlmO/US-and-China-trade-barbs-at-WTO-amid-calls-for-reform.html

The United States said on Monday that China's "unfair competitive practices" were harming foreign companies and workers in a way that violates World Trade Organization (WTO) rules, but vowed to lead reform efforts.

US trade ambassador Dennis Shea drew fire from Chinese envoy Zhang Xiangchen who said the Trump administration's tariffs on steel and aluminium products allowed protectionism under the guise of dubious national security concerns.

The heated words, in texts seen by Reuters, were exchanged at the start of a closed-door review of US trade policies, held every two years at the WTO, which continues on Wednesday.

Shea expressed concern about the WTO dispute settlement system having "strayed far from the system agreed to by members" and said that the Appellate Body had overreached in some legal interpretations.

Zhang countered that by blocking the selection of judges, Washington was putting the system into paralysis.

To force reform at the WTO, Trump's team has refused to allow new appointments to the Appellate Body, the world's top trade court, a process which requires consensus among member states. As a result, the court is running out of judges, and will be unable to issue binding rulings in disputes.

Shea described the US economy as "one of the most open and competitive economies in the world", with among the lowest tariffs globally, rejecting criticism by some of the US approach as "unilateralist and protectionist".

China has pursued "non-market industrial policies and other unfair competitive practices" aimed at supporting its domestic industries while restricting or discriminating against foreign companies and their goods and services, he said.

"The WTO is not well equipped to handle the fundamental challenge posed by China, which continues to embrace a state-led, mercantilist approach to the economy and trade," Shea said.

He did not refer to the dispute on steel or automobiles which brought the two powers to the brink of a major trade war but defended the US. "Section 301" investigation that found in March that Chinese practices related to technology transfer, intellectual property and innovation were discriminatory.

On Section 301, Zhang said the US measures vastly increased tariffs, "bringing back to life the ghost of unilateralism that has been dormant for decades".

Shea said the United States was committed to working with like-minded members to address concerns on the functioning of the WTO. "Reforms are necessary for the continued viability of the institution," he said.

Zhang echoed his call, but said: "If the roof of this building is leaking, we should work together to fix it, rather than dismantling it and exposing all of us to rains and storms."

Industry body says traders, MSMEs lost 35 lakh jobs since 2014, names demonetisation among reasons	**Scroll.In** https://scroll.in/latest/905977/industry-body-says-traders-msmes-lost-35-lakh-jobs-since-2014-names-demonetisation-among-reasons

The All India Manufacturers' Organisation, which conducted a survey, represents over 3 lakh such industries.

Traders and the micro, small and medium enterprises sector lost 35 lakh jobs in the last four-and-a-half years, a survey by the All India Manufacturers' Organisation has said. The survey named demonetisation and the implementation of the Goods and Services Tax among the reasons for the job losses, reported The Indian Express.

A job loss of 43% was recorded in the traders segment, 32% in micro enterprises, 35% in the small segment and 24% in the medium segment, The Hindu reported, citing the survey, which covered over 34,000 representatives of the sector between October 1 and October 30. The organisation that conducted the survey represents over 3 lakh such industries.

“The worst is the elimination of self-employed categories such as tailors, cobblers, barbers, plumbers, and electricians,” the survey said. “The year 2015-’16 saw a growth in all areas of business due to high sentiment and expectations from the new leadership. It went down next year due to demonetisation and then again, due to GST implementation.”

The report said that the plastic, matches, crackers, dyeing units, stitching units, stone units, tanneries, job work units and printing sectors, which employ unorganised labour on a large scale, were the most affected. The number of firms making profits has declined substantially since 2014, it added.

The organisation’s national president, KE Raghunathan, said that the survey indicates that the TMSME sector is in a “critical condition” and that the government should consider the problem “with a lot more seriousness and urgency”. The survey recommended immediate assistance to the housing, textiles, automobiles, power, match industries, stone, plastic, tannery and consumer products sectors.

Multi-state GST, Input Tax Credit fraud worth Rs 2 billion detected	**Business Standard** https://www.business-standard.com/article/economy-policy/multi-state-gst-input-tax-credit-fraud-worth-rs-2-billion-detected-118121701294_1.html

The Central Goods and Service Tax (CGST) department has detected a fraud of Goods and Service Tax (GST) and Input Tax Credit (ITC) in the metal scrap business across Madhya Pradesh, Maharashtra and Gujarat.

The fraud amount is likely to around Rs 2 billion, an official said.

According to officials, the fraud was committed during the past one-and-half years through bogus business and fake invoices and e-way bills.

An official associated with investigation told *PTI*, "In the case, more than 11-billion of metal scraps business of more than 400 firms across three states are under the purview of our investigation. We suspect illegal benefit of Rs 2 billion through input tax credit."

He, however, said the real fraud amount would be known after the investigation.

So far, statements of 14 people have been recorded, the official added.

Meanwhile, a CGST press release said officials have raided 17 places in Madhya Pradesh's Indore, one place in Bhopal and two places in Jabalpur during the past four days.

Besides, two campuses in Mumbai, five in Thane in Maharashtra and five places in Gujarat's Bhavnagar district were also raided, it added.

Retail sector to witness addition of 13.5 million sq ft space in 2019: Anarock	Retail Economic Times https://realty.economictimes.indiatimes.com/news/retail/retail-sector-to-witness-addition-of-13-5-million-sq-ft-space-in-2019/67126788

Indian retail estate is expected to witness addition of 13.5 million sq ft of mall in 2019 across major cities apart from tier II and III cities, said a study by Anarock.

Among the major metros, both Bengaluru and NCR are expected to see seven operational malls in each city, followed by five in Hyderabad, three in MMR and one in Chennai, said the data.

"Besides commercial office spaces, the retail sector also emerged as one of the most vibrant and fast-paced real estate sectors in India in 2018. Cities that saw maximum retail growth in 2018 included MMR, NCR, Bengaluru and Kolkata," said Anuj Kejriwal, MD & CEO – ANAROCK Retail.

Among the major policy overhauls, the government further liberalized FDI policies early in the year. "These policy interventions repositioned the Indian retail sector on the global map of investments, attracting a large number of global retailers into India and further fuelling growth of organized retail in the country," said Kejriwal.

Major ports in India adds capacity of 92.19 MTPA during 2017-18	Business Standard https://www.business-standard.com/article/news-cm/major-ports-in-india-adds-capacity-of-92-19-mtpa-during-2017-18-118121700721_1.html

Make in India initiative aims to create a conducive environment for investment, development of modern and efficient infrastructure

The 'Make in India' initiative was launched in 2014 with the objective of promoting India as an important investment destination and a global hub in manufacturing, design and innovation. This initiative aims to create a conducive environment for investment, development of modern and efficient infrastructure, opening up new sectors for foreign investment and forging a partnership between Government and industry through a positive mind set.

Some of the major achievements under Make in India initiative are:

Six industrial corridors are being developed across various regions of the country. Industrial cities will also come up along these corridors. India has become a net exporter of electricity - 7203 MU exported to Nepal, Bangladesh and Myanmar during 2017-18. One of the world's largest 648-MW solar power plant in Tamil Nadu was commissioned on 21 September 2016. Two path breaking prototype locomotives of WAGC3 & WAG11 class of 10,000 and 12,000 hp respectively were developed indigenously by converting existing diesel locomotive to upgraded electric locomotive. Asia's largest MedTech Zone (AMTZ) has been set up in Andhra Pradesh. 88 cold chain projects were commissioned during June 2014 to August 2018, thereby, creating additional food processing capacity of 3.9 lakh tones. Three textile mega clusters in Bareilly, Lucknow and Kutch are being set up, thereby benefitting 14505 artisans. Major ports in India have added capacity of 92.19 MTPA during FY 2017-18. Total turnaround time at these ports has reduced by 33% from 96 hrs in FY 2014-15 to 64.32 hrs in FY 2017-18.

Initially under Make in India initiative action plans for 25 sectors had been prepared and which after review is now focused on 27 sectors. Department of Industrial Policy & Promotion coordinates action plans for 15 manufacturing sectors while Department of Commerce coordinates 12 service sectors.

Investment promotion activities after launch of Make in India initiative are being undertaken by several Central Government Ministries, Departments and various State Governments from time to time.

Country should benefit from Industry 4.0: expert	**The Hindu** https://www.thehindu.com/news/national/andhra-pradesh/country-should-benefit-from-industry-40-expert/article25767156.ece

Product life cycles are shrinking with the advent of new technologies'

The Confederation of Indian Industry (CII) and AP Skill Development Centre (APSSDC), with national partner IIT (Tirupati) and international partner Texas A&M University (USA) on Monday organised Industry 4.0, a conference to identify opportunities, challenges in implementing new technologies and sensitise all the stakeholders.

Industry 4.0 is all about connecting different physical systems using cyber networks. Like computers have penetrated into all the domains, Industry 4.0 is also expected to influence every domain. Industry 4.0 can benefit manufacturing, agriculture, transport, medicine and several multiple disciplines, the organisers said.

In his welcome address, Vijay Naidu Galla (Vice-Chairman, CII - AP Chapter) emphasised the importance of Industry 4.0 for the Indian industry.

D. Ramakrishna (Chairman, Industry 4.0 Conference & Convenor, IT panel, CII) said that product life cycles are shrinking and in this context, Industry 4.0 is very important. India and China have missed the bus during Industry 1.0 and 2.0. China, however, was able to exploit the Industry 3.0 and benefited immensely. India has the big opportunity to exploit Industry 4.0 and benefit from this.

Industry 4.0 is all about algorithms and creating system of systems. Industry 4.0 comprises data collection, use of analytics and decision support systems and finally taking the action, he said.

Knowledge hub

K. N. Satyanarayana, Director of IIT-Tirupati, said that the State government was trying to make Tirupati a knowledge hub and in this connection, IIT-Tirupati will play a crucial role. The institute had identified some thrust areas, including smart infrastructure, food technology, education technologies, materials and manufacturing, energy and design.

"Industry 4.0 is part of our thrust areas. Presently, manufacturing contributes 15 % of the GDP and it needs to be increased to 20% in the next two years. That is possible by implementing the technologies like Industry 4.0," Prof. Satyanarayana said.

Later, the IIT Tirupati and Texas A & M university of USA have signed an MoU to work closely on different works in future.

Others who delivered speeches on the importance of Industry 4.0 included Mr. S. N. Eisenhower (Director – Operations, Saint-Gobain India Pvt. Ltd.), Mr. Ravi Raghavan (CEO, Bharat Fritz Werner Ltd), Dr. K. Lakshmi Narayana (IAS (Rtd.), Founder & Director, APSSDC), Mr. Ghanta Subbarao (Founder & Director, APSSDC), Dr. P. R. Kumar (Professor of Electrical and Computer Engineering, Texas A & M University, USA).

VN to become major source for Asean buyers	**Phnompenhpost** https://www.phnompenhpost.com/business/vn-become-major-source-asean-buyers

: As more export orders shift from China to other countries, Vietnam will become one of the next major sourcing destinations for buyers from Asean-member countries, experts said at a meeting on Friday in Ho Chi Minh City.

Ho Chi Minh City Investment and Trade Promotion Centre (ITPC) director Pham Thiet Hoa said trade relations between Vietnam and Asean countries had grown rapidly in recent years.

"Asean is Vietnam's fourth largest export market, after the EU, the US and China," he said.

Asean economies have a combined population of around 660 million and high economic growth, and Vietnamese firms now have greater opportunities than ever to export to them, according to Hoa.

The establishment of Asean Economic Community (AEC) three years ago is expected to open up many opportunities for Vietnamese businesses.

Compared to other trade agreements, commitments on tariff reductions in the AEC are the most favourable.

Vietnam plans to complete the AEC tariff-reduction schedule by the end of the year, when tariffs will be cut to zero.

To tap into the Asean market, Hoa said that Vietnamese exporters should engage in more trade promotions and market surveys, and strengthen linkages with enterprises in target markets.

Exporters should also study prices, tastes and trends of consumers in other markets, and offer labels and packaging in English and in local languages.

China market

China is the biggest trading partner of Vietnam. Vietnamese exports to China reached $38.1 billion in the first 11 months, up 23.2 per cent year-on-year, which was higher than any other markets.

As of the end of October, bilateral trade between Vietnam and China reached $86.9 billion, up 19 per cent year on year.

Last year, bilateral trade between the two countries totalled $93.7 billion. Exports of agricultural, forestry and fishery products were worth more than $8 billion, accounting for 35 per cent of Vietnam's total export turnover.

At the Apec summit held in Da Nang last year, Chinese President Xi Jinping said China would import goods worth more than $24 trillion over the next 15 years.

China has been Vietnam's largest trading partner for more than 10 consecutive years, and Vietnam is one of China's 10 largest trading partners, according to the consul general of China in Ho Chi Minh City.

The Chinese consulate said Vietnam's government should research different trends in consumption markets and then issue suitable policies to help local exporters.

Exporters must learn about changing markets to sell the products that the market needs, instead of selling products the market already has, the consulate said.

Vietnamese enterprises should also improve the marketing of their products, especially to the Chinese market, through major events like the China-Asean Fair and Canton Fair, among others.

A traceability system to protect consumers and higher investment in warehousing and logistics to ensure faster delivery were also important.

Businesses and individuals should not sell poor quality products for short-term benefits, and instead should have a long-term vision to protect the reputation of the industry, according to the Chinese consulate.

Speaking at the meeting, Nguyen Thi Ngoc Hang, head of the marketing division of the Halal Certification Agency, said halal was a thriving industry worth $2.3 trillion in revenue each year globally, attracting not only Islamic countries but also non-Muslim countries.

The number of Muslims worldwide is 1.6 billion. With half of Asean's population as Muslim, the halal industry in the Asean market has great potential and is continuing to grow, according to Hang.

Bilateral trade between Vietnam and Asean last year reached US$49.5 billion, a rise of 19.6 per cent over 2016, accounting for 11.7 per cent of the country's total import and export turnover, according to the General Department of Customs.

Last year, total exports from Vietnam to Asean were $21.51 billion, a surge of 23.9 per cent compared to 2016, accounting for 10 per cent of the country's total exports.

The key exports included telephones and components, computers, electronics and components, iron and steel, machinery and spare parts, textiles, crude oil and petroleum, among others.

Vietnam's imports from Asean were $28.02 billion last year, up 16.4 per cent compared to 2016, accounting for 13.3 per cent of the country's total imports from all markets.

The GDP of Asean reached $2.551 billion in 2016. The area is expected to become the world's fourth largest market by 2030.

Government bans importation of mattresses	Monitor.Co https://www.monitor.co.ug/News/National/Govt-bans-importation-mattresses/688334-4898386-15cv8gez/

China's foray into Africa and the growing Chinese factories in Uganda have forced government to push for a ban on importation of locally manufactured products such as military shoes, steel, blankets, mattresses, boda-boda tyres and mosquito nets.

The proposed ban according to Investment minister, Ms Evelyn Anite, seeks to protect local manufacturers, create jobs for Ugandans and boost export earnings.

Sources close to Cabinet told Daily Monitor, that Ministry of Finance was tasked to work with Uganda Investment Authority, Uganda National Bureau of Standards and Trade Ministry to assess the capacity of local and foreign factories in Uganda so as to pick on the products to be banned next financial year.

Warnings

The President has on several occasions criticised importers under Kampala City Traders Association (Kacita) and described Uganda as "a supermarket of foreign products." Last week during the commissioning of six factories in Namanve, President Museveni warned government accounting officers to stop importing goods that can be manufactured by local firms.

Mr Issa Sekitto, the Kacita spokesperson, criticised the move, saying stakeholders like traders have never been consulted. The process, he said, "should be gradual otherwise Uganda risks being isolated by other regional blocks that accept Ugandan products".

Explaining the Presidential directive, Ms Anite said the ban on importation of locally produced products starts immediately, adding that in the next budget, prohibitive tariffs will be put in the Finance Tax Bills to discourage the importation of some products.

A team led Ms Anite visited factories in Mukono and Jinja District on Saturday as part of the government fact-finding mission and assured investors of government protection. The minister visited Tian Tang, a mattress and steel manufacturing plant owned by Mr Paul Zhang, one of the Chinese industrialists in the country and Sino Textile Industry Co. Ltd, a blanket factory in Mukono District.

Production

This Chinese company started producing all types of blankets in January this year with a total investment of $455m (Shs1.6t) and 330 jobs created. The company through its Operations manager, Mr Zhou Yuejun, has announced additional investment of $2m(about Shs7b) and extra 170 jobs as they expand production. The company according to Mr Yuejun, produces for local market and exports 260 tonnes of blankets per month to countries like Kenya, Rwanda, Congo and Zambia.

She also visited C.C.L.E Rubber Co Ltd, a manufacturer of boda-boda tyres and lubricants and Royal Small Scale Industries Company, a shoe making firm in Jinja. This company employs more than 300 workers but is currently embroiled in a land dispute with the members of the custodian board. The minister promised to help the investor get land title for the land and ordered him to put "Made in Uganda" label on all the locally produced shoes and handbags.

Ms Anite told the Daily Monitor that the President will visit the factories in Mukono on January 17, 2019. She also assured Chinese investors in Mbalala, Mukono District, that the problem of flooding in the areas as a result of poor drainage system will be sorted. When Uganda Roads Authority visited the area last week, they indicated that $4m (Shs14.8b) was needed to fix the problem. The minister assured Chinese investors of the government plan to ban importation of all products that are produced in Uganda, increase water and power supply.

Pledges

The minister promised to visit a $2.3m(about Shs8b) mosquito net factory in Luzira Industrial Park. M/s Sino Africa Medical Devices Company Limited in partnership with the Tianjin Yorkool International Co Limited manufactures polyester insecticidal treated mosquito nets for local consumption.

"We cannot import mosquito nets when we are producing the same…this is unacceptable and we are not going to allow this to continue," Ms Anite said.

Competitiveness crisis continues to weave havoc through textiles	**The News** https://www.thenews.com.pk/print/407176-competitiveness-crisis-continues-to-weave-havoc-through-textiles

Though the government has resolved the gas price disparity between five exporting sectors operating in Punjab and other regions of the country, the disparity still exists as gas prices for the most populous province are in dollars, while the rest pay in rupee.

Punjab textile sector and the federal government after lengthy negotiations agreed that the gas tariff for all provinces in the country would be brought at par.

The official gas tariff for Sindh, Khyber Pakhtunkhwa, and Balochistan at that time was Rs650 per unit (mmBtu). This amount at the time of negotiation was equivalent to $6.50 at the value of dollar at the time of negotiation. Both agreed that Punjab-based five exporting sectors would be charged $6.50 per mmBtu. This was a big relief as Punjab industries were paying Rs1350 per mmBtu for the imported regasified liquefied natural gas (RLNG) that they were using.

The federal government agreed to provide Rs44 billion subsidy per year to rationalise gas prices. The government has since released a subsidy of Rs2.5 billion for this purpose.

However the gas price disparity between Punjab and other provinces still exists because of sharp decline in the value of rupee against the dollar. The price has shot up from Rs650 to Rs910 as the current dollar rate is Rs140.

This is much higher than what entrepreneurs in other province pay for gas. The price officially is Rs650/mmBtu but the entrepreneurs in these provinces have obtained stay order against Gas Development Surcharge and increase in gas tariff from high courts and for several years are paying Rs480/mmBtu.

This disparity has again placed Punjab-based industries at disadvantage against their peers operating from other parts of the country.

The textile sector after the acceptance of its demand on bringing the gas and power rates at par with regional rates are now hard-pressed to deliver on their promise to increase exports; but they face another dilemma which is that of declining crude oil rates.

After the decline in crude oil rates from $65 to $50 a barrel the competing economies are set to bring down energy and petroleum products rates. The Punjab-based industries would however continue to get gas at $6.50 per unit irrespective of crude oil rates.

That would again place them at a disadvantage against regional competitors and industries established in other province where they pay unchanged price in rupee that is constantly declining.

Pakistani exports have not picked up in recent months despite high devaluation of rupee. The exports in fact declined in the month of November 2018 by over 6 percent compared with exports achieved in November 2017. The exports are unlikely to surge under the current circumstances. The decline in energy and power rates at best could stem the decline but are unlikely to boost much needed exports. There is gloom is global textile market.

The perception of the country has also not improved and there are reports some US importers are reluctant to place repeat orders with Pakistani exporters probably under the influence of lobbying by forces that be.

The domestic mills consume only 75 percent of yarn and fabric produced in the country while the remaining quantity has to be exported. If the mills throw this exportable surplus in the domestic market for sales then the market crashes to very low prices due to supply glut.

They have to produce carefully so as not to create surplus in the market. Exports of yarn are constantly on decline, while the fabric exports are stagnant, making life difficult for the basic textile sector.

The industry badly needs technology upgrade but the textile crisis in the country occurred at a time when the third generations of textile entrepreneurs were joining their family business. Many of them got disgusted with the turmoil that prevailed in the textile sector for seven years.

They do not want to invest in textiles and are looking for other businesses. Real estate has fascinated them because they earned much more than in it during the last seven years than textiles. The sector would be doomed its technology is not immediately upgraded.

Moreover textile sector is in another fix as it has to import 30 percent of its basic input that have become costly after the devaluation of rupee. The industry fulfills 30 percent of its cotton needs through imports and also imports polyester fiber because of short production of both cotton and manmade fiber.

They have to bear high incidental charges like custom duty, advance income tax and other levies that further increase their cost. They want the incidentals waived for commodities that are short in Pakistan.

Chemical Manufacturer Sells Textiles Business	**Insider media** https://www.insidermedia.com/insider/yorkshire/chemical-manufacturer-sells-textiles-business

A Leeds-based chemical manufacturer has sold its textiles business to a Belgian company, in a deal supported by a host of Yorkshire advisers.

Stephenson Group, headquartered in Horsforth, is a manufacturer and distributer of specialty chemicals with a worldwide customer base. Revenue has grown to £24m in 2018.

The company has sold its Stephenson Textiles business to EuroDye CTC, based in Jodoigne, Belgium.

Stephenson Textiles develop and supply chemical products to improve and aid the processing of wool, cashmere and other natural and synthetic fibres. It was the group's last non-core division following the sale of Alkon Solutions to US-based Polymer Solutions Group in 2016.

EuroDye CTC specialises in the research, development and production of textile chemical products for natural and synthetic fibres, providing a range of speciality dyeing and pigment products textile companies and distributors.

Jamie Bentley, chief executive of Stephenson Group, said: "In a market where we continue to grow the personal care business at pace, our challenge has been managing capacity, and we are now pursuing a significant investment programme to support the continued growth of this part of the business. Stephenson Textiles formed the back-bone of the original Stephenson business, but the sale wholly underpins our ongoing focus on Stephenson Group's future in personal care ingredients.

"Over the past decade, the Stephenson Group has focused all its energy on growth in other sectors and as a result felt that, Eurodye CTC was the best partner to ensure the long-term prosperity of our textile chemicals business."

A host of Leeds-based advisers supported Stephenson on the deal. The sale was led by Sentio Partners (Andrew

Barlow and Dave Irwin), with legal support provided by Womble Bond Dickinson (Simon Pilling and James Cook) and tax advisory from RSM (Chloe Ellis).

Andrew Barlow, director at Sentio Partners, said: "The strategic fit of Stephenson Textiles for EuroDye was clear from the outset. We are delighted to have found a safe home for a Business with a strong heritage, and look forward to supporting Stephenson during an exciting next phase of growth."

Training grants available for young textile technicians	**Innovation Textiles** https://www.innovationintextiles.com/training-grants-available-for-young-textile-technicians/

Funding is now available for businesses to train their young textile technicians across the UK, as part of UKFT's mission to raise the skills and productivity of the people who work in the fashion and textiles industry to the highest level.

UK Fashion & Textile Association (UKFT) has secured support from The Worshipful Company of Weavers and The Worshipful Company of Drapers to match-fund 50% of the costs of in-depth training for young textile technicians, predominantly in weaving positions.

As companies invest in new textile technology, the requirement for highly-skilled textile technicians have never been more important, but this type of in-depth training is not currently available in the UK, the association reports. "Training is carried out by machinery builders at overseas training schools and due to its specialised nature, is extremely expensive."

The new scheme builds on the success of other match-funded technician training programmes and opens the initiative to companies across the UK. It is open to textile technicians under the age of 30 and businesses can applyto UKFT from the start of 2019.

"This type of training is a critical way of ensuring that the UK textile sector remains competitive against global competition. It is great news that employers across the UK can now access funding to train textile technicians to allow the industry to capitalise on all the opportunities that exist for further growth," said Martin Jenkins, Project Manager at UKFT.

"UKFT is deeply grateful to Weavers' and Drapers' Companies for their support in upskilling the textile technicians of the future."

Solar panels embedded in clothes can charge mobile phone	Innovation Textiles https://www.innovationintextiles.com/solar-panels-embedded-in-clothes-can-charge-mobile-phone/

Clothing embedded with tiny solar cells the size of a flea can allow wearers to generate electricity on the move and charge items like mobile phones and smartwatches, according to the Nottingham Trent University, which has developed a way to embed miniaturised solar cells into yarn that can then be knitted and woven into textiles.

The technology has been tested and proven to charge a mobile phone and a Fitbit. The cells are encapsulated in a resin which allows the textile fabric to be washed and worn like any other form of clothing.

Measuring only three millimetres in length and 1.5 millimetres in width, the cells are almost invisible to the naked eye and cannot be felt by the wearer. For all intents and purposes, garments appear exactly the same as any other form of clothing despite having the capability to generate electricity.

“By embedding miniaturised solar cells into yarn, we can create clothing and fabric that generate power in a sustainable way,” said project lead Professor Tilak Dias, of the School of Art & Design. “The clothing would look and behave like any other textile, but within the fibres would be a network of miniaturised cells which are creating electricity.”

“This could do away with the need to plug items into wall sockets and reduce the demand on the grid while cutting carbon emissions. The electrical power demand for smart e-textiles has always been its Achilles heel and this technology will allow people to use smart textiles while on the move.”

Up to 200 miniaturised cells can generate 2.5-10 volts and up to 80 miliwatts in power. The university’s Advanced Textiles Research Group made a proof of concept textile of 5cm by 5cm size with 200 cells.

This proved powerful enough to charge a mobile phone and a Fitbit, according to the researchers. They say if 2,000 solar cells were incorporated into a textile, it would generate enough power to charge a smart phone. “This is an exciting technology which could revolutionise the way we think about solar power, clothing and wearable technology,” commented researcher Achala Satharasinghe, who developed the prototype as part of his PhD at the university. “With the availability of miniaturised solar cells, we can generate power in a range of new ways, by utilising things like clothing, fashion accessories, textiles and more. It will allow mobile devices to be charged in environmentally-friendly ways which are more convenient for consumers than ever before.”