

SIMA E-WEEKLY

APRIL 10 - 16, 2016

Representations

- ❖ Requested the Hon'ble Minister of State for Labour & Employment (I/C) Mr Bandaru Dattatreya to withdraw the restriction imposed on the withdrawal of 3.67% of employer's PF contribution with accrued interest at the age of 58 years

Meetings

- ❖ Interaction meeting of all spinning mills in Coimbatore & Tirupur Districts of Tamil Nadu has been scheduled in the afternoon of April 22, 2015 at SIMA Conference Hall, Coimbatore (session on Labour would be held between 2.30 pm and 3.45 pm and the session on Power would be held between 3.45 pm and 5.00 pm).
- ❖ Interaction meeting of all spinning mills in Southern Districts of Tamil Nadu on "Labour and Power related issues" was conducted at Hotel North Gate, Madurai on April 9, 2016

Labour

- ❖ As the Election Commissioner of India has notified May 16, 2016 as the day of Poll for Tamil Nadu Legislative Assembly, The Commissioner of Labour, Chennai has informed that all employers should grant a holiday with wages to all persons employed by them including the daily wages / casual workers
- ❖ Minimum rates of wages for all categories of workers in Spinning Mills for the period April 1, 2016 to September 30, 2016 was notified by the Commissioner of Labour, Telangana. Accordingly, Rs 216.83 per day is the minimum rate of wages for unskilled worker in spinning mills
- ❖ Next hearing of the Tamil Nadu Wage dispute case would be on May 10, 2016

Trade

- ❖ Commissioner of Central Excise, Tirunelveli has provided the mechanism for redressing the grievances with regard to indirect tax issues through Ombudsman
 - ❖ Minutes of the Third Meeting of TAMC under A-TUFS held on March 30, 2016 at Mumbai circulated
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Details requested

- ❖ **Two copies of "Balance Sheets" for the year 2014-15**
- ❖ **Details for updating Member Mills Directory by mail**
- ❖ **"Mid-month ex-mill selling prices of yarns" in Rs/Kg**

We solicit your co-operation to update our data bank

Price Behaviour

Cotton – Spot* (Rs/Candy)

Variety	14.4.2016	7.4.2016	1.4.2016	25.3.2016	18.3.2016	11.3.2016	4.3.2016
ICS-101 (Bengal Deshi (RG) / Assam Comilla)	30700	29100	29100	29100	29000	29300	29400
ICS-201 (Bengal Deshi (SG))	31200	29600	29600	29600	29500	29800	29900
ICS-102 (V- 797)	20000	19100	18800	19000	18900	19800	20300
ICS-103 (Jayadhar)	26000	25100	24800	25000	24900	25300	25500
ICS-202 (J-34)	33600	32200	31900	31600	31600	32100	32100
ICS-105 (LRA- 5166)	34600	33200	32900	32600	32600	33100	33100
ICS-105 (H4-Mech 1 - Guj)	33100	32500	32100	31500	31500	31900	32000
ICS-105 (Shankar – 6 (Guj))	34100	33200	32800	32200	32400	32900	32900
ICS-105 (Bunny / Brahma)	35900	34600	34200	33900	34300	34400	34200
ICS-107 (DCH 32)	49600	49000	48300	48300	48300	48400	48400

* - Spot rates quoted based on growth & grade standard (i.e: parameter based)

Source: CAI

Cotton Yarn (Rs/Kg – Taxes Extra)

Count	16.4.2016	8.4.2016	1.4.2016	25.3.2016	18.3.2016	11.3.2016	4.3.2016
Hank Yarn							
20s	180	180	180	180	180	180	180
30s	202	202	202	202	202	202	202
40s	225	225	225	225	225	225	225
60s K	247	247	247	247	247	247	247
60s C	319	319	319	319	319	319	319
80s C	374	374	374	374	374	374	374
Cone Yarn							
20s	157	152	152	152	155	155	155
30s	172	167	167	167	170	170	170
40s	192	187	187	187	190	190	190
60s K	240	235	235	235	238	238	238
60s C	275	270	270	270	273	273	273
80s C	365	360	360	360	363	363	363

News Clippings – Recap

Centre firm on capping cottonseed prices	Business Line – 12.4.2016
<ul style="list-style-type: none"> ❖ The Centre reasserted its right to control seed prices. This sets the stage for a uniform price for cottonseed across the States ❖ Last year, the government had issued a Price Control Order and set up a committee to recommend a price after consulting stakeholders and seed-producing firms have reportedly begun to print the MSP (Maximum Sale Price) of Rs 800 as prescribed in the order 	
USA: Cotton Price Jumps to Two-Month High on Technical Buying, Support Patterns Remain Intact	The Star Tribune, USA, 12-Apr-2016
<ul style="list-style-type: none"> ❖ Cotton prices have continued their positive trajectory, and on Monday hit a two-month high following an unexpected increase in demand for the commodity 	
Monsanto GM Cotton Banned by Top African Producer of Crop	bloomberg.com
<ul style="list-style-type: none"> ❖ Africa's biggest cotton growing country, Burkina Faso is phasing out the production of genetically modified cotton introduced by Monsanto Co., the world's largest seed company, because growers are unhappy with the short length of its fiber ❖ The nation's three cotton companies and the national cotton farmers' union will seek 48 billion CFA francs (\$82 million) in compensation for lost harvests from Monsanto 	
Flood of Chinese Cotton Sends Prices Tumbling Most in Six Weeks	bloomberg.com
<ul style="list-style-type: none"> ❖ China is about to open the floodgates on its huge supplies of cotton, sparking a rout in prices. It plans to auction 2 million metric tons by August ❖ the auction sales has come as China's crop is set to shrink this year to the lowest in more than a decade ❖ Any increase in production, as well as any volume pushed out of Chinese reserves, will be added to globally available supply in the coming crop year 	
Law to increase workers' bonus faces fresh hurdles	The Hindu – 15.4.2016
<ul style="list-style-type: none"> ❖ The government's attempt to appease the working class by paying higher bonus under a 2015 law, applicable with retrospective effect from April 2014, has hit an embarrassing roadblock with High Courts in eight states staying the payment of such benefits 	
India offers relocation chances for HK garment cos	fibre2fashion.com
<ul style="list-style-type: none"> ❖ Hong Kong-based garment companies are critically examining the suitability of India as an alternative production destination ❖ Hong Kong Trade Development Council (HKTDC) Research analyses India's garment sector - factors behind the suitability of the country for Hong Kong garment manufacturers to consider factory relocation 	
Govt may pay interest subsidy directly to borrowers	Business Line – 12.4.2016
<ul style="list-style-type: none"> ❖ "The Centre may revisit interest subvention schemes and replace them with back-end interest subsidies to improve transmission of monetary policy actions" - Finance Secretary Ratan Watal 	

IMF supports move to negative rates by some central banks

reuters.com

- ❖ The International Monetary Fund said that a move to negative rates by some of the world's central banks would help deliver extra monetary stimulus and ease lending conditions
- ❖ Six of the world's central banks have introduced negative rates, most notably the Bank of Japan and the European Central Bank, and around a quarter of the world economy by output is now experiencing official rates that are less than zero

Exporters eligible for refund on duty paid on both input as well as final products: Supreme Court

knnindia.co.in

- ❖ The Supreme Court has clarified that an exporter is eligible for refund on duty paid on inputs as well as duty paid on final product cleared from factory on payment of duty for exported final products under Rule 18 of the Excise Rules

Exit from EU to be a catastrophe for Great Britain: Former French President

dnaindia.com

- ❖ Great Britain at the moment is the second biggest economy of Europe. Its exit (Brexit) from the European Union will be a "catastrophe" for the country as also a "big loss" for Europe

WTO: India opposes US, EU bid to hold small-group talksBusiness Line –
13.4.2016

- ❖ India, backed by some other developing countries maintained that negotiations on industrial goods (NAMA) should take place within the multilateral framework based on an earlier discussed text, while China said that even if plurilateral talks happen, the concept of special & differential treatment (S&DT) for developing countries should be maintained

China to end export subsidies after US challenge in WTO

fibre2fashion.com

- ❖ US Trade Representative Michael Froman stated that China would be dismantling a rash of subsidies it has been using to boost its exports of agricultural, medical, textile and other goods Following a dispute brought by the US in the World Trade Organization (WTO)

Solar power producers bid below Rs 5 a unit for Karnataka parkBusiness Line –
14.4.2016

- ❖ The lowest tariff quoted was Rs 4.78 a unit by Rattan India's subsidiary Yarrow Infrastructure for setting up a 50 MW unit in the Pavagada Solar Park

Ministry to tweak solar power purchase obligationsBusiness Line –
15.4.2016

- ❖ Following objections from certain States like Himachal Pradesh to a mandatory 10 per cent target for solar purchase obligations by 2022, the Ministry for New and Renewable Energy has decided to prescribe different levels for each State based on solar irradiance and propensity to absorb such electricity. But, the level will not be below eight per cent at any given time.