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NEWS CLIPPINGS –11-08-2018

Free-trade pacts hamper India's efforts to curb China textile imports	Money Control https://www.moneycontrol.com/news/india/free-trade-pacts-hamper-indias-efforts-to-curb-china-textile-imports-2831771.html

India, Bangladesh and Sri Lanka are among the signatories of the South Asian Free Trade Agreement (SAFTA) that created a free-trade zone in the South Asian region. China is exporting textiles to India through Bangladesh to get around a tax increase on imports, undermining New Delhi's efforts to support local manufacturers, industry sources said.

Earlier this week, India doubled the import tax on more than 300 textile products to 20 percent, marking the second tax increase on textiles in as many months. This is aimed at providing relief to the country's domestic textile industry, which has been hit by cheaper imports. India's total textile imports jumped by 16 percent to a record $7 billion in the fiscal year to March 2018. Of this, about $3 billion were from China.

Textiles are India's second largest job provider directly employing nearly 51 million people and accounting for 5 percent of India's gross domestic product, and 13 percent of its export earnings. Industry officials said textile raw material from China is coming into India via Bangladesh, which has a free-trade agreement with India giving it access to the country's $100 billion textile market.

"Duty free fabric from China is coming to Bangladesh, getting converted and landing into India at zero duty," Sanjay Jain, president of Confederation of Indian Textile Industry (CITI) Industry bodies argue that India's latest action is not enough to protect domestic garment manufacturers which are facing fierce competition from China and Bangladesh.

Imports of clothing accessories and apparel from Bangladesh - the world's second largest exporter of ready-made garments -rose over 43 percent to $200.9 million during the year ended March 2018, according to Indian government data. "Import trends suggests 40 to 50 percent of the garments were made with Chinese fibre," said an Indian analyst who did not want to be named. It is difficult to estimate exactly how many garments imported in India were produced with fibre sourced from China, he said.

India, Bangladesh and Sri Lanka are among the signatories of the South Asian Free Trade Agreement (SAFTA) that created a free-trade zone in the South Asian region. Shipments of edible oils coming into India are also being designated as duty free under the regional free-trade pact, circumventing an import tax increase.

Trade bodies, which expect textile imports from Bangladesh to rise further, have asked the government to introduce a rule of origin for duty free imports. Competition from China is forcing some businesses, such as polyester production facilities, to run idle, leading to job losses, they said.

"Under the SAFTA agreement and trade agreement with Bangladesh, only those goods should be exempted from custom duty, whose raw material is also manufactured by one of the SAFTA countries," Dilip Chenoy, head of The Federation of Indian Chambers of Commerce and Industry said in a letter dated July 25 to a senior official in the government's textile ministry. Kavita Gupta, India's textile commissioner told Reuters: "The textile ministry has proposed a 'Fabric Forward Policy,' where duty free access to garments will be provided if the fabric is sourced from India. The policy is in discussion stage."

Rising imports sent India's trade deficit with China in textile products (finished garments) to a record high $1.54 billion in 2017/18, alarming industry officials as India had been until recently a net exporter of textile products to China. There is a 10 percent price difference on average between textile products made in India and those made in China, according to FICCI. The unit value of some Chinese products such as stockings, blouses and baby garments cost far less than produced in India.

Vietnam nylon filament yarn faces stiff Indian duties	**Vietnam Express** https://e.vnexpress.net/news/business/industries/vietnam-nylon-filament-yarn-faces-stiff-indian-duties-3790523.html

India may apply anti-dumping duties of as much as $719 per ton on Vietnamese nylon filament yarn for five years.

A Hindu Business Line report says that this move is being considered after India’s Directorate General of Antidumping and Allied Duties (DGAD) received complaints from five domestic textile enterprises about the cheap import of such yarn from Vietnam.

In response, the DGAD has suggested anti-dumping duties ranging from $128.06-$719.44 per ton on nylon filament yarn imported from Vietnam and the EU to mitigate the damage on the domestic industry.

The directorate found that imports of the year increased to 13,799 tons from October 2015 until March 2017, as opposed to 7,201 tons from 2013 to 2014.

However, a Times of India report said that manufacturers of nylon fabric have opposed the move, saying it will allow Indian yarn makers to monopolize prices.

It cited market sources as saying yarns and fibers, including nylon filament yarn made in Vietnam and the EU were 20 percent cheaper than the ones made by domestic firms.

The final decision on this issue will be taken by India's Finance Ministry, but no date has been mentioned for when this will happen.

Meanwhile, the Times of India report quoted Mayur Golwala, a representative of powerloom weavers, as saying: “We urge the central government not to accept the recommendation of DGAD for anti-dumping duty on nylon yarn.

“The government should not think of only five to six nylon yarn manufacturers in the country, but thousands of weavers and workers who are attached with the industry.”

Trade unions meet Textile Minister on NTC workers' wage revision	The Hindu https://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/trade-unions-meet-textile-minister-on-ntc-workers-wage-revision/article24661568.ece

Trade union representatives from Coimbatore have met Union Textile Minister Smriti Irani and sought her intervention to finalise wages for workers of National Textile Corporation (NTC) mills in Tamil Nadu. About 1,400 confirmed workers are employed at the seven NTC mills in the State. The four-year wage agreement for these workers expired on May 31 this year.

A press release from T.S. Rajamani, co-ordinator of HMS, AITUC, MLF, BMS, and Dr. Ambedkar Union for NTC workers, said the unions had sent their wage hike demand to the Southern Region office of NTC seeking 50 % increase in basic wages and making permanent those workers who have worked for 480 days. They also sought Rs. 421 a day for casual workers. Since the management neither invited them for proper talks nor arrived at a solution, demand meetings were held and workers wore demand cards to the mills. On August 7, a group of trade union leaders met the Union Minister and sought her intervention. The Minister assured them that necessary steps would be taken. It is said that a meeting would be held on August 16 here in this regard.

When asked about the demands, an official of NTC here said, "Discussions are on. We are having talks."

M. Arumugam of AITUC contended that the unions had to meet the Minister as the talks were not progressing. "In Kerala, the revised wages have been finalised. In Tamil Nadu, the talks should be held. We also want the management to call all the unions for talks as there is a case going on about the recognised unions for NTC workers. We (the unions) have sent our demands individually and jointly to the NTC management. The Minister said she will take action," he said.

Ethiopia beckons Tirupur garment exporters	Economic Times https://economictimes.indiatimes.com/industry/cons-products/garments-/-textiles/ethiopia-beckons-tirupur-garment-exporters/articleshow/65350149.cms

KOCHI: After Asian countries, Ethiopia is beckoning garment exporters from Tirupur, the knitwear hub of the country, as they struggle to cope with goods and services tax (GST) implementation issues and withdrawal of export incentives in India.

Already, a few units from Tirupur have set up base in Ethiopia, which is tipped to become the next Bangladesh, one of India's main rivals in garment exports. A combination of factors not available in India seems to be attracting exporters to Ethiopia.

They provide all the infrastructure with plug and play facilities. The labour is cheap and significantly, Ethiopia enjoys duty-free export access to both Europe and the US, two major markets for garments,'' said R Rajkumar, MD of Best Corporation (P) Ltd., which has set up a unit in the African country.

Best Corporation's $6 million unit employs 1000 workers and Rajkumar said it will be scaled up to 4000 in future. Except the management staff, all workers are from Ethiopia.

Indian garment exporters have suffered heavily due to competition from Bangladesh and Sri Lanka which enjoy duty-free access to Europe. Many exporters had started units there to take advantage of this facility. But Bangladesh is fast losing charm for exporters with declining productivity.

Ethiopia now appears to be more attractive as exporters can ship garments without duty to two major markets. “Ethiopian government is quite helpful by providing subsidised electricity and infrastructure. Abundant and cheap labour is a great advantage,’’ said Arul Saravanan, chief marketing officer of SCM Garments Pvt. Ltd., another Tirupur-based firm which has opened a garment unit in Ethiopia with 500 machines and 750 workers.

Ethiopia had begun efforts to woo companies with officials from the country making regular visits to Tirupur. “They have been coming here for the past three years. Ethiopia understood the value of garment industry in providing employment to its people. India has much to learn from it,’’ said Raja M Shanmugham, chairman of Tiruppur Exporters Association.

Tirupur, which accounts for 46% of the total knitwear garment exports from the country, saw its export decline by 8% to 24,000 crore in 2017-18 for the first time in five years. “The first quarter of this year saw a negative growth of 14%. We hope the second quarter would fare better,’’ said Shanmugham.

The garment exporters have been requesting the government for at least partial restoration of export incentives and free trade access to Europe to boost shipments .

Industrial output expands 7% in June	**Indian Express** https://indianexpress.com/article/business/industrial-output-june-factory-growth-india-economy-business-5300859/

Industrial output recorded a growth of 7 per cent in June on account of higher output in mining, manufacturing and power generation segments. Industrial output recorded a growth of 7 per cent in June on account of higher output in mining, manufacturing and power generation segments. Factory output growth measured in terms of the Index of Industrial Production (IIP) was revised upwards for May at 3.9 per cent from previous estimate of 3.2 per cent estimated earlier, according to data released by the Central Statistics Office (CSO) on Friday.

The cumulative growth for the period April-June 2018 stands at 5.2 per cent over the corresponding period of the previous year. The manufacturing sector, which constitutes 77.63 per cent of the index, grew by 6.9 per cent in June, as against a decline of 0.7 per cent in the year-ago month.

Power generation segment saw a rise of 8.5 per cent during the month as compared to 2.1 per cent growth a year ago. The mining sector output recorded an impressive growth of 6.6 per cent in June as against 0.1 per cent in June 2017.

Govt notifies due date for filing GST returns from July 2018 - March 2019	**Live Mint** https://www.livemint.com/Politics/pStF7gd85fDk8PPrh8LcFL/Govt-notifies-due-date-for-filing-GST-returns-from-July-2018.html

The government has modified the due date for filing of final GST sales returns by businesses with turnover exceeding ₹1.5 crore to the 11th day of the succeeding month

The government has modified the due date for filing of final Goods and Service Tax (GST) sales returns by businesses with turnover exceeding ₹1.5 crore to the 11th day of the succeeding month.

Currently, such businesses are required to file GSTR-1 or final sales return of a particular month by the 10th day of the succeeding month.

In a notification issued today, the Central Board of Indirect Taxes and Customs (CBIC) has stipulated that details of outward supplies for July 2018 to March 2019 has to be filed by the 11th of the succeeding month.

For businesses with turnover up to ₹1.5 crore, and who are required to file quarterly returns, the GSTR-1 giving details of outward supplies has to be filed by the last date of the subsequent month.

In the notification, the CBIC has said that the due date for filing quarterly return for July-September period is 31 October, while for October-December, 2018, period it is 31 January 2019.

GSTR-1 for the period January-March 2019 will have to be filed by 30 April 2019. The due date for filing summary sales return of GSTR-3B and payment of taxes for every month between July 2018 to March 2019 is the 20th day of the succeeding month.

Not responsible for Pink Bollworm attack'	**Financial Express** https://www.financialexpress.com/market/commodities/not-responsible-for-pink-bollworm-attack/1277176/

The National Seed Association of India (NSAI) has approached Radha Mohan Singh, Union minister of agriculture after the Maharashtra agriculture department issued notices to seed companies in the state directing them to pay rS 93 crore in compensation to cotton farmers for damages caused by the Pink Bollworm attack.

The National Seed Association of India (NSAI) has approached Radha Mohan Singh, Union minister of agriculture after the Maharashtra agriculture department issued notices to seed companies in the state directing them to pay Rs 93 crore in compensation to cotton farmers for damages caused by the Pink Bollworm attack. In a representation to the minister, M Prabhakar Rao, president, NSAI pointed out that seed companies cannot be held responsible for the attack. Rao said that Pink Bollworm (PBW)has developed resistance to BG-II since 2015. "Due to the lack of appropriate extension activity in Maharashtra, there was severe damage to the crop in the state. The officials of the agriculture department of Maharashtra as well as other states are holding seed companies responsible for the efficacy of the trait," he said.

This is not correct since the efficacy of the trait falls under the domain of the trait developer as per the provisions of the Cotton Seed Price (Control) order 2015, or under EPA, he pointed out. According to Rao, CICR and ICAR have repeatedly clarified this in meetings that happened in MoA last year. It may be clarified by DAC&FW to Maharashra and all other states that the trait efficacy is the responsibility of the trait developer, ie MMBL. In a separate representation to the joint secretary, seeds, Union ministry of agriculture, the Association sought clarity on the sole responsibility of the trait developer for the efficacy of the trait.

Reacting to the compensation announced by the Maharashtra government to the extent of R16,000 per hectare to farmers who have used cotton hybrids expressing two gene trait of MMBL, Rao said that more than 99% of the planted area of BT Cotton with more than 300 cotton hybrids expresses the same two gene protein of MMBL for which a trait value of `40 per 450 gm pack is determined by the ministry of agriculture and paid by every farmer.

As per the provisions of Cotton Seeds Price (Control) Order, such such trait value is collected by the seed companies from the farmers and passed onto MMBL in toto. Neither the dealer nor the seed company gets any margin in the trait value, he said. The Association has urged the joint secretary to clarify to the government of Maharashtra that while the seed companies are responsible for the various seed quality parameters including the gene purity, they cannot be held responsible for efficacy of the trait.

India Boosts Tariffs to Protect Local Textile Makers From Cheap Chinese Imports	**The Epoch Times** https://www.theepochtimes.com/india-boosts-tariffs-to-protect-local-textile-makers-from-cheap-chinese-imports_2620016.html

Fallout from the U.S.–China trade dispute is being felt in India, with the country recently putting measures in place to blunt an influx of cheap Chinese textile imports that could threaten domestic production.

On Aug. 7, India, the world's biggest producer of cotton, doubled the import tax on 328 imported textile products to 20 percent—the second such increase in less than a month. In mid-July, India had doubled import duties to 20 percent on more than 50 imported textile products, including fiber, jackets, suits, and carpets.

The duty increases are expected to provide relief to India's domestic textile industry, which has been hit recently by cheaper imports. India's total textile imports jumped by 16 percent to a record $7 billion in the fiscal year that ended in March. About $3 billion of that total was from China.

The Indian government didn't specify which products would be targeted by the most recent increase.

Rising imports drove India's trade deficit with China in textile products to a record $1.54 billion in the most recent fiscal year. That set off alarms with industry officials—as India had been until recently a net exporter of textile products to China.

The tariff measure is to "shield Indian [textile] manufacturers…from a bitter Sino-U.S. trade war," according to an Aug. 9 opinion article published on The Tribune, an Indian English-language daily newspaper.

The article pointed out the problem India is facing now: "Blocked by Americans, China may swamp the Indian [textile] market with cheap goods that would destroy the domestic industry."

The textile industry is vital for India because it is the second largest job provider after agriculture. It also accounts for 15 percent of the country's total exports, according to the article.

Aside from the new tariff rates, the article called on the Indian government to close a loophole that China has been exploiting. China has bypassed India's textile duties by exporting goods to Bangladesh, Sri Lanka, and Vietnam first—countries that have free trade agreements (FTAs) with India. In other words, indirectly been exporting to India without paying duties.

"Rules of origin need to be implemented for textile products. Otherwise, Chinese products will land from other countries," an unnamed Mumbai-based garment exporter told Reuters in an article.

India's Confederation of Indian Textile Industry (CITI), a trade group, welcomed the new tariff rates. "The decision would help millions of people get employment in the manufacturing sector of the various segments of the entire [textile] value chain," CITI said in a statement, which was cited in an Aug. 8 article by Indian newspaper The Indian Express.

Sanjay Jain, president of CITI, told Reuters he did not expect China to retaliate in response to the duty increases, as China still has an overall trade surplus with India. Jain predicts India's textile product imports could fall to $6 billion by the end of fiscal 2019 as a result of the tariff hike.

The most recent 20 percent duty will not be applicable to products sourced from countries that have FTA's with India, Jain said.

Jain said India's textile and garment exports may rise 8 percent to $40 billion by the end of fiscal 2019 because of a weak rupee, and the government's plans to introduce incentives to boost overseas sales.

Amendment to CGST Act: Pre-GST cess credit can't be carried forward	**Financial Express** https://www.financialexpress.com/economy/amendment-to-cgst-act-pre-gst-cess-credit-cant-be-carried-forward/1274539/

An amendment to the central goods and services tax (CGST) Act has explicitly and retrospectively barred claiming transitional credit in lieu of the Krishi Kalyan cess and Swachh Bharat cess paid in the pre-GST regime.

An amendment to the central goods and services tax (CGST) Act has explicitly and retrospectively barred claiming transitional credit in lieu of the Krishi Kalyan cess and Swachh Bharat cess paid in the pre-GST regime. The CGST Amendment Bill was tabled in the Lok Sabha on Wednesday. The GST law provides for transition of accumulated credit, which allows taxpayers to transfer the input tax credit (ITC) available as closing balance in pre-GST returns to GST returns. Therefore, assesses were able to transfer the closing balance of credit in respect of central excise duty, service tax and local VAT as the opening credit balance in GST returns.

The law, however, had not specifically denied credit of cess against GST liability, which led to a section of taxpayers claiming the same too. Many other taxpayers relied on the principle that cess credit can be used to pay only the cess liability. Abhishek Jain, tax partner, EY India, said, "This amendment would open a pandora's box for businesses which had transitioned the credits based on a literal interpretation of law. The issue may get into litigation or the businesses would need to reverse the transitioned cess credits and also evaluate on the applicability of interest on credits so transitioned."

The government has launched a year-long drive to verify transitional credit claims of top 50,000 taxpayers as the revenue department believes that large-scale evasion took place in claiming Rs 1.6 lakh crore as transitional credit till December last year; when the windows for applying for such credit closed.

Additionally, as a result of other amendments to the GST Bill, employers will soon be able to claim input tax credit on facilities like food, transport and insurance provided to employees under any law. The government has proposed as many as 46 amendments to the Goods and Services Tax laws — central GST, state GST, integrated GST and Compensation of Sales Act. The amendments, among other things, provide 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.

Exporters approach various courts over restrictions under GST regime	**Business Standard** https://www.business-standard.com/article/economy-policy/exporters-approach-various-courts-over-restrictions-under-gst-regime-118080901800_1.html

Earlier, imports under advance authorisation were subjected to IGST

Exporters have approached various courts over restrictions imposed for availing advance authorisation licences under the goods and services tax (GST) regime. The change in condition has led to directorate of revenue intelligence (DRI) issuing notices to exporters.

One such case on a petition filed by an exporter came up for hearing in the Delhi High Court, which issued notices to the Central Board of Indirect Taxes and Customs (CBIC) and the Directorate General of Foreign Trade and posted the matter for hearing in January.

The gist of the case is that the CBIC had inserted a clause of "pre-import" for exempting imports done on advance authorisation licences from integrated goods and services tax (IGST). These licences are issued to allow duty free import of inputs, which are physically incorporated in export product. The clause meant that imports done after exports would not be allowed to avail exemptions from IGST.

However, advance authorisation is generally used for importing goods after exports are made, as against the pre-import condition imposed by the CBIC, argued Abhishek Rastogi, counsel for the petitioner in Delhi HC and partner at Khaitan & Co. The clause was introduced after exemption was granted to imports under advance authorisation from paying IGST. Earlier, imports under advance authorisation were subjected to IGST. This prompted exporters to move courts. Though IGST is refundable, cash flow of exporters was hampered.

Jobs outlook looks muted in manufacturing sector: FICCI survey	**India Today** https://www.indiatoday.in/business/story/jobs-outlook-looks-muted-in-manufacturing-sector-ficci-survey-1311294-2018-08-10

W ith less than a year to go for Lok Sabha elections, a Federation of Indian Chambers of Commerce and Industry (FICCI) survey of 300 manufacturing units across eleven sectors paints a subdued picture for the manufacturing sector.

Industry body, FICCI, in its quarterly manufacturing survey paints a grim picture-production outlook for April to June is weaker than the last quarter of 2017-2018.

Output growth has slipped and 49 per cent of the respondents are expecting higher number of orders as against 51 per cent in January-March 2018. Capacity utilization continues to be low- the average capacity utilization at 77 per cent is not encouraging and doesn't augur well for investment growth and expansion.

Private sector investment continues to be a drag with nearly 65 per cent of the respondents reporting that they do not plan to expand capacity for the next six months. High cost of raw materials, expensive finance, excess capacities, uncertainty of demand, availability of land and shortage of working capital continues to plague the manufacturing sector, according to the survey.

Most strikingly, in most employment generation sectors - textiles, capital goods, textiles machinery, pharmaceuticals -capacity utilization has remained the same or fallen -while in sectors such as automobiles, cement, leather and footwear, metal and metal products -capacity utilization has fallen.

The silver lining, however, is that the appreciating rupee has given the much needed push to exports. 44 per cent of the participants expect a rise in exports.

What should be most worrying is the bleak hiring trend- with nearly 69 per cent of respondents saying that they are not likely to hire additional workforce in the next three months.

Centre mulls regulator for e-commerce sector: Source	**Indian Express** http://www.newindianexpress.com/business/2018/aug/10/centre-mulls-regulator-for-e-commerce-sector-source-1855778.html

The government has constituted a think tank, chaired by Commerce Minister Suresh Prabhu, specifically to frame rules and regulations for the sector.

NEW DELHI: With increasing number of e-commerce companies and no specifications and regulations regarding such business in India, the Union government is planning to come up with a separate regulator for the sector.

“There is so much confusion regarding e-commerce in India. Space is expanding fast and it requires well-defined regulations and policies. That is the reason why space requires a separate regulator. The government is working on it,” said a member of the recently constituted think tank on e-commerce The government has constituted a think tank, chaired by Commerce Minister Suresh Prabhu, specifically to frame rules and regulations for the sector. The think tank member further said that all digital businesses will be legally bound to register with the regulator. This will also make a real estimation of the total number of e-commerce companies and their registered offices.

The think tank will come up with its final draft on the e-commerce policy by the end of this month. The final draft is being reviewed by the committee, which is incorporating the suggestions and framework. Once the draft is ready and out, the government will seek comments and suggestions from the public.

“Apart from the general business regulations, the regulator will also look into discount policies, monitoring of product quality, more clarification on FDI rules on inventory and the server and data issues. We have already done several brainstorming sessions on this and are holding talks with stakeholders for suggestions,” the official added.

The think tank is also fine-tuning certain grey areas that exist in e-commerce companies regarding Goods and

Services Tax. Recently, the merger of Amazon and Flipkart once again fuelled discussions regarding the lack of strict regulations, where big players manage to manipulate FDI rules. Retailers contend that in the absence of strong regulations, big global chains are manipulating rules to their advantage. Retailers have also complained regarding the product quality and services of e-commerce players. According to Praveen Khandelwal of Confederation of All India Traders, these complaints are not being taken seriously.

'Not quite impartial'

Retailer associations allege that the government think tank's draft report on e-commerce policy, parts of which they are already aware of, is already tilted in favour of major e-commerce players such as Amazon, Ola and Paytm.

Efforts afoot to achieve 10m cotton bales target	**The News** https://www.thenews.com.pk/print/353467-efforts-afoot-to-achieve-10m-cotton-bales-target

The fourth meeting of the Cotton Crop Management Group has developed a consensus to consume all resources to accomplish production of 10 million cotton bales with the help of more than 0.9 million farmers trained on modern techniques of cultivation and ruthless crackdown should be initiated against spurious pesticides and adulterated fertilizers.

The meeting was held under the chair of Punjab agriculture secretary Wasif Khurshid here on Friday. The meeting directed the fertiliser controllers and pesticide inspectors to keep vigilant to prevent the spread of adulterated pesticides and fertilisers.

Punjab agriculture secretary Wasif Khurshid said the meeting had decided consuming all resources to achieve the target of 10 million cotton bales in the province. He said the master trainers trained the farmers on most modern techniques of cultivation in cotton growing districts. The master trainers had imparted training to 9,40,113 farmers and also distributed literature among them. The meeting was regularly held to ensure testing of cotton seeds and provision to farmers at maximum level. The staff was recruited in research and pest warning for swift monitoring of crop and district level committees were also formed for healthy growth of cotton. He said free plots of PB ropes were established at 50 acres in 54 tehsils of Punjab likewise the last year. The sex-pheromones trips were installed at union council level in cotton growing districts.

He said the government would hold prize competition this year for giving maximum production. The farmers were provided with spray machines worth Rs140.7 million on subsidised rates. The availability of high quality fertilisers and pesticides was ensured. The government had adopted zero tolerance policy against adulterated pesticide mafia and crackdown would continue against them across the province.

Emerald Textiles Has Been Acquired by Encore Textile Services, a Portfolio Company of Highland Avenue Capital Partners	**Business Wire** https://www.businesswire.com/news/home/20180731005954/en/Emerald-Textiles-Acquired-Encore-Textile-Services-Portfolio

-Encore Textile Services ("Encore"), a portfolio company of Los Angeles-based private investment firm Highland Avenue Capital Partners, LLC ("Highland Avenue"), announces the completion of the acquisition of Emerald Textiles, a San Diego-based healthcare linen service provider. The acquisition brings together the two largest independent healthcare laundry providers in California, with the combined entity having a total of five locations on the West Coast. The combined business will have an unparalleled ability to better serve all the needs of their large regional customers in both Northern and Southern California. "We are excited to welcome the Emerald team to the Encore family. It is our belief Emerald's team of experienced and respected professionals will complement the Encore team as we continue to scale the organization through organic growth, acquisitions and greenfield opportunities. Encore and Emerald are committed to providing the best value-proposition for current and future customers and look forward to continuing to serve our combined customer base with continued high-level service," said Greg Anderson, CEO of the combined Encore and Emerald.

Under Highland Avenue's ownership, Encore has grown through significant new customer wins, material investments in upgrading facilities and a universal commitment to servicing the customer.

"I am tremendously proud of what the Emerald team accomplished over the past eight years, and I am confident that the business is well positioned to continue to grow and thrive," said Tom Gildred, CEO of Emerald.

Chris Sznewajs, Co-Founder and Managing Partner at Highland Avenue, added, "Highland's original investment thesis centered around building scale while enhancing the Company's ability to service its consolidating customer base. The addition of Emerald to the Encore platform is a realization of that thesis and allows us to serve the entire California market. We are excited about the two entities coming together and wanted to thank Tom Gildred and the entire Emerald team for building a great organization focused on their customers."

Northleaf Capital Partners and AIG provided the debt financing for this transaction. Jones Day acted as Buyers counsel. Cooley LLP acted as legal counsel to Emerald. Latham & Watkins LLP, Paul, Weiss, Rifkind, Wharton & Garrison LLP provided debt counsel. VERCOR acted as financial advisor to Encore and Highland Avenue. Piper Jaffray & Co. served as sell-side financial advisor as well as advisor for the debt capital raise. Grant Thornton LLP and Ernst & Young LLP provided accounting advisory services.

About Highland Avenue Capital Partners

Highland Avenue Capital Partners, founded by Chris Sznewajs and Chris Bryan, is a Los Angeles-based private investment firm with deep expertise in operations and growth enhancement in the middle market. Highland Avenue acquires controlling interests in businesses across multiple industries including industrials, building products, healthcare services and business services. Highland Avenue, in conjunction with its operating executives, partners with exceptional management teams to assist businesses in unlocking value and reaching their full potential.

Official says Kenya may commercialize genetically modified cotton next March	Africa http://www.xinhuanet.com/english/2018-08/11/c_137382085.htm

Genetically modified cotton could be commercialized in Kenya as early as March 2019, the head of the country's National Biosafety Authority (NBA) said on Friday.

"If the results of the national performance trials are positive, then it is anticipated that the Kenya Plant Health Inspectorate Service will permit the release of the genetically modified cotton seeds to farmers by March 2019," said Dorington Ogoyi, CEO of NBA. The trials for the transgenic cotton, which began in June, are expected to continue until the end of the year.

Before the genetically modified cotton seeds are released for commercialization, they will have to satisfy the condition of being a distinct, uniform and stable variety of cotton, Ogoyi said.

The performance trials are currently taking place in seven different sites under the Kenya Agriculture Livestock Research Organization. The Maharashtra Hybrid Seeds (Mahyco) is expected to make the seeds available to farmers on behalf of Monsanto company. According to the NBA, the transgenic cotton is pest resistant, which can help farmers cut spending on the use of insecticides. Jane Otadoh, assistant director of agriculture at the Ministry of Agriculture, said biotech cotton is one of the strategies that Kenya will utilize to help revive the cotton sector. Cotton production has been on the decline due to high prevalence of pests that has reduced incentives for farmers to grow the cash crop, Otadoh said. He said the country has the capacity and infrastructure required for research and regulation of biotech crops. Otadoh noted that the country has more than 100 scientists in research and development activities, with over 45 percent of them working for the government.

Tariff talk inspires new records for retail imports	Home Textiles http://www.hometextilestoday.com/article/556377-tariff-talk-inspires-new-records-retail-imports/

Tariff fears are driving port traffic.

Imports at the nation’s major retail container ports have set two new records this summer and are expected to set another this month, according to the National Retail Federation’s monthly Global Port Tracker report.

Tariffs on most consumer products have yet to take effect, but retailers appear to be getting prepared before that can happen,” said Jonathan Gold, NRF vice president for supply chain and customs policy. U.S. ports covered by Global Port Tracker are: Los Angeles/Long Beach, Oakland, Seattle and Tacoma on the West Coast; New York/New Jersey, Port of Virginia, Charleston, Savannah, Port Everglades, Miami and Jacksonville on the East Coast; and Houston on the Gulf Coast.

Together they handled 1.85 million Twenty-Foot Equivalent Units (TEUs) in June, the latest month for which after-the-fact numbers are available. That was up 1.6% from May and up 7.8% year-over-year.

The June number set a new record for the number of containers imported during a single month, beating the previous record of 1.83 million TEU set in August 2017, NRF noted. A TEU is one 20-foot-long cargo container or its equivalent. July was estimated at 1.88 million TEU, up 4.4% year-over-year. This figure is subject to revision when the numbers become final. August is forecast at 1.91 million TEU, up 4.4%, and "should set yet another record," NRF added. Predictions for the remainder of 2018 are: September at 1.82 million TEU, up 2.1%; October at 1.88 million, up 4.9%; November at 1.81 million TEU, up 2.6%; and December at 1.79 million TEU, up 4%.

While cargo numbers do not correlate directly with sales, NRF said the record imports mirror strong results seen by retailers this spring and summer that are expected to continue through the remainder of the year.

Retail sales as calculated by NRF – excluding automobiles, restaurants and gasoline stations – were up 4.2% year-over-year in June and up 4.4% on a three-month moving average. The organization is forecasting this year's total sales to be up between 3.8% and 4.4% over 2017. The first half of 2018 totaled 10.3 million TEU, an increase of 5.1% over the first half of 2017. The total for 2018 is expected to reach 21.4 million TEU, an increase of 4.4% over last year's record 20.5 million TEU.