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NEWS CLIPPINGS –28-09-2018

India, Uzbekistan to cement economic ties

Times of India

<https://timesofindia.indiatimes.com/business/india-business/india-uzbekistan-to-cement-economic-ties/articleshow/65979721.cms>

Issues including tariff reduction to promote trade, setting up of a business council, and expansion of economic relation will be discussed during the upcoming visit of Uzbekistan President to India.

The first visit of Uzbek president will take place early next week.

As a part of intensification of economic dialogue. We plan to create a joint Uzbek - Indian business Council, prepare the ground to mutually reduce customs tariffs, implement large-scale projects in the free economic Zones, "Uzbekistan Ambassador Farhod Arziev said.

Arziev said Uzbekistan is also interested in expanding cooperation in areas such as innovation, increasing bilateral investments, education, culture and arts.

Mirziyoyev's visit to India will elevate strategic and economic partnership between the countries, the Ambassador told.

Arzeiv said, the current volume of bilateral trade and investment between the countries does not correspond to the existing potential.

Expanding trade volumes requires undertaking complex measures. We have started working on establishing preferential trade regime between the two countries, which will boost the bilateral trade. We are also planning to increase the supply of different types of agricultural products to Indian market." he said.

The bilateral trade between the countries stood at a meagre USD 235 million in 2017-18. It was USD 155.5 million in 2016-17.

Arzeiv said Uzbekistan has enormous potential to supply several products to the Indian markets such as agri goods, fertilisers, and non-ferrous and rare metals, textiles and petrochemicals.

We plan to triple our trade volumes in the coming years he said.

Over 300 business leaders from sectors including automobile, railway, energy, oil, gas, pharmaceuticals, leather, and textile are expected to attend the business forum meet.

On increasing cooperation to promote innovation , the Ambassador said they are planning to launch Uzbekistan - India innovation forum, and Indian technology parks in Uzbekistan.

Further, he said, the Uzbek President will also announce the partnership between Samarkhand and Agra, to promote tourism industry.

Dialy flights from Delhi and Amritsar to Tashkent to connect both countries and by the end of October, we are launching Mumbai -Tashkent air route, which will operate three times a week. I believe this will further increase tourism between India and Uzbekistan and further boost business opportunities he added.

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| Mukesh Ambani's textile punch: Reliance's innovative fabric R Elan made from used plastic bottles, fibre | Financial Express https://www.financialexpress.com/industry/mukesh-ambanis-textile-punch-reliances-innovative-fabric-relan-made-from-used-plastic-bottles-fibre/1328984/ |
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Mukesh Ambani's textile punch: RIL has announced a range of products in partnership with Vardhman Textiles, including R|Elan GreenGold, made of greenest fibres in the world, manufactured by recycling used plastic bottles

In what could provide a major fillip to Reliance Industries' new-age fabric R|Elan, billionaire Mukesh Ambani-led Reliance Industries has partnered with Vardhman Textiles, to produce innovative fabric including R|Elan GreenGold—manufactured by recycling used PET bottles, and used in trousers and denim. R|Elan GreenGold has one of the lowest carbon footprints globally due to its eco-friendly manufacturing attributes such as using bio-fuels instead of fossil fuels and a zero waste concept— where all the material is either used in process, or sold in market, according to the company's website. Interestingly, maximum water is re-cycled, and all the water is used in manufacturing and horticulture.

According to Reliance Industries' press release, the innovative high-quality fabric collection will straddle across the performance and sustainable themes in formals, casuals and other women wear segments. "R|Elan technical team will provide the technical knowhow, specifications and parameters to ensure the best quality fabric is produced," said the firm.

The innovative range under R|Elan includes R|Elan Kooltex, which will be used in making active wear apparels, R|Elan FreeFlow – used in manufacturing sarees and dress material, R|Elan SuperSoft – used in shirting, R|Elan GreenGold – made of greenest fibres in the world, manufactured by recycling used PET bottles, and used in trousers and denim and R|Elan SuperBlack – used in suiting.

"We are proud to be associated with the leading player Vardhman for R|Elan. We will work together to ensure the consumer's growing demand for high-quality performance and sustainable apparel are met with R|Elan. This partnership further emphasises our focus on creating opportunities for entire textile value chain, including brands and apparel manufactures," Gunjan Sharma, CMO – Polyester Division, RIL said. As a part of this engagement, RIL's R | Elan technical team will work closely with Vardhman to develop a variety of new manufacturing processes to

manufacture specially engineered R|Elan fabrics, RIL said in its release.

For Reliance Industries, R | Elan is a portfolio of innovative fabrics with presence in segments like activewear, denim, ethnic & western wear – both formals and casuals. RIL has partnered with more than 30 players that are equipped to produce new-age fabrics using R|Elan technologies. Interestingly, in the total Rs 2-2.5 lakh crore apparel industry, active wear segment has 10-15% or Rs 2,500 crore market share, while ethnic wear and sarees, the largest apparel sub-segment, commands Rs 60,000 crore share. The denim segment is worth Rs 20,000 crore.

Officials asked to prepare village wise cotton farmers' list

The Hans India

<http://www.thehansindia.com/posts/index/Telangana/2018-09-27/Officials-asked-to-prepare-village-wise-cotton-farmers-list/414615>

Collector Syed Omar Jaleel ordered officials and mill owners to ensure all basic facilities at cotton purchase centres, at a review meeting on Thursday. The minimum support price for long variety (Rs 5,450) and medium variety (Rs 5,150) were fixed, he said. The collector estimated this year's crop as 12,31,175 quintals in 49,247 hectares. He said that there are five mills in the district at Tandur (2), Vikarabad (2) and Parigi (1). The collector ordered the agricultural officers to prepare village wise cotton farmers' list to avoid rush at mills. Cotton Corporation GM Amarendar Reddy, AD (marketing) Chayadevi, legal metrology officer Kishan, RTO Vani, officers Bharthi, Vijaya Mohan were present.

Aggrieved exporters likely to get relief from GST Council on Friday

Business Standard

https://www.business-standard.com/article/economy-policy/aggrieved-exporters-likely-to-get-relief-from-gst-council-on-friday-118092701336_1.html

Several exporters availing benefits of the EPCG scheme have received refunds of IGST while many have been denied similar refund

The goods & services tax (GST) Council at its meeting on Friday is likely to give relief to the exporters who were denied refunds due to changes in the Export Promotion Capital Goods (EPCG) scheme.

The scheme allows import of capital goods at zero duty, subject to an export obligation. Integrated GST (IGST) paid on imports is refunded. However, recently an amendment was carried out in Rule 96 under the Central GST and State GST Acts withdrawing the benefit of refund of IGST to exporters even when a small import has been done against the scheme.

Punjab Finance Minister Manpreet Singh Badal raised the issue in the previous GST meeting, saying the amendment has introduced an "avoidable" complexity for exporters.

The Council has also been told that the changed rules were causing hardship to exporters, especially those who have imported capital goods and machinery under EPCG scheme. It has also been represented that it was not clear whether the earlier rule prevented an exporter, who was importing capital goods, machinery under the EPCG scheme, from claiming refund of IGST paid on export of goods.

Several exporters availing benefits of the EPCG scheme have received refunds of IGST while many have been denied similar refund.

The Council had referred the matter to its legal committee which had recommended that the amendment be withdrawn. The recommendation will be taken up on Friday, sources said.

Aggrieved exporters have meanwhile filed petitions in the Bombay High Court, demanding withdrawal of the changes.

Abhishek Rastogi, counsel for exporters in the court and partner at Khaitan & Co, said their petitions will become infructuous if the GST Council addresses the issue and the exporting community will substantially gain, he said.

The petitions basically say that the amendment is arbitrary and defeats the rebate scheme.

Hopeful of agri exports crossing \$40 billion by year-end, says agriculture secretary

Money Control

<https://www.moneycontrol.com/news/business/economy/hopeful-of-agri-exports-crossing-40-billion-by-year-end-says-agriculture-secretary-2992271.html>

The country has so far received 9 percent lower rainfall than normal in the current monsoon season

Talking about agri exports, Shobhana Pattanayak, agriculture secretary, in an interview with CNBC-TV1, said the government has brought out a new export policy and over the last few years the level of exports has been around \$37 billion.

Pattanayak added that the government is hopeful of exports crossing \$40 billion by the end of this year and \$60 billion by 2022.

The country has so far received 9 percent lower rainfall than normal in the current monsoon season.

Pattanayak also said the excess rainfall in and around Delhi has affected vegetables but fortunately has not damaged the main crop.

The monsoon, which delivers 70 percent of India's annual rainfall, is critical for 263 million farmers and their rice, sugarcane, corn, cotton and soybean crops because nearly half of the country's farmland lacks irrigation.

Discussing the impact of monsoon deficit, Pattanayak said, "It is not the quantum of rainfall that determines the output but the spread of rainfall is more important and the interval at which it comes."

"In India except for parts of Gujarat and Peninsular India the rainfall has been good. Though rainfall was lacking behind in parts of eastern UP in Bihar at the beginning, which led to paddy getting delayed, it has now been made up and the first advance estimates predicts an output of more than one million tonne over last year's output," Pattanayak said.

Parts of Maharashtra face drought as monsoons near end

Tribune India

<https://www.tribuneindia.com/news/nation/parts-of-maharashtra-face-drought-as-monsoons-near-end/659641.html>

Parts of Maharashtra are facing drought-like situation due to scanty rainfall in around 18 districts of the state, according to state government officials.

All the affected districts lie in the politically sensitive Marathwada and Vidarbha regions and the Devendra Fadnavis government is coming under pressure to undertake drought-relief work right away.

There is a major shortage of drinking water across Marathwada and people are dependent on tankers even for their basic needs," said Nationalist Congress Party leader Dhananjay Munde.

According to the NCP, the kharif crops in Marathwada and Vidarbha regions are as good as lost.

"Cotton, corn, jowar and soyabean crops in Marathwada have been damaged due to poor rainfall," Munde told reporters here.

According to information available from the state government, two of the nine major dams in the Marathwada region have completely dried up even before the monsoons have officially come to an end.

The average water available in the dams in Marathwada region is around 28.81 per cent of their capacity.

The situation in Vidarbha is slightly better with dams holding slightly more than 50 per cent of their capacity.

Minister of State for Water Conservation Vijay Shivtare told reporters that the problem in Marathwada has been aggravated because of increasing acreage under sugarcane.

"Despite poor rainfall, farmers in the region are planting sugarcane which causes ground water to deplete," Shivtare said.

He admitted that the government was helpless in curbing sugarcane cultivation because sugar co-operatives controlled by politicians have a strong hold in the region.

Meanwhile, the revenue department of the state has announced that a meeting of officials from the relief and rehabilitation (R&R) department will be held on October 15 to take stock of the situation.

The GST law requires TDS to be deducted by certain specified Government bodies/ PSUs, where the total value of supply, under a contract, exceeds Rs. 2,50,000.

After the GST regime gained momentum, the government decided to introduce TDS and TCS provisions. The GST law requires TDS to be deducted by certain specified government bodies/ PSUs, where the total value of supply, under a contract, exceeds Rs 2,50,000.

The recipient of supply i.e. the TDS Deductor is obligated to deduct 2% (1% CGST + 1% SGST) from the payment made or credited for taxable goods or services or both. The aim to bring this provision is to keep a watch on tax evasion and leakages to the extent possible.

The sudden but delayed implementation of TDS provisions from 1 st October 2018 has presented certain challenges amongst the industry. The challenges would range from initial hiccups to long-lasting impact on the business of companies. Some noticeable challenges with this implementation are outlined below.

Transitioning to TDS:

The priority for the deductors at this stage is smooth transition considering the additional compliance and legal requirements to deduct tax. This has resulted in businesses analyzing the trigger point for deduction of tax. One key issue is whether TDS provisions apply to supplies made prior to 1 st October but where payments are received after this date. In order to answer this question, the interpretation of legal provisions becomes critical.

TDS on inter-State supplies:

The GST Law excludes TDS where the supplier registration and the place of supply registration of the TDS deductor are in different states. The provisions do not say that TDS is not applicable to inter-State supplies. However, the FAQ released by Karnataka Government seems to indicate TDS is not to be deducted on inter-State supplies (irrespective of the location of supplier/ place of supply/ location of recipient).

Although the understanding in the FAQ seems to be incorrect, the Department is yet to clarify this position or make the relevant changes to the law. Till then, it remains unclear whether TDS is to be deducted on inter-State supplies.

TDS on inter-unit transactions:

The transactions between two registrations of a same company (even without any consideration) are taxable under GST. As per the provision under TDS, deduction is to be made on payment made or credited to the supplier.

Different companies follow different practices with respect to the compensation mechanisms between its units. In

such cases, TDS provisions may pose significant accounting and legal challenges.

Contract value or supply value?

The TDS provision specifies that the tax is to be deducted where the total value of such supply, under a contract, exceeds 2.5 lakh. The question that arises is whether the tax is to be deducted for all supplies under one contract, where the contract value exceeds 2.5 lakh, or the value qua each supply is to be considered irrespective of the contract value. In absence of clarification, the provision could have serious ramifications.

Deduction of exempt supplies?

As per the legal provisions, TDS is to be deducted from payments made or credited for taxable goods or services or both. Taxable supplies have been defined as “supply of good or services or both leviable to tax under the Act”. Therefore, the supplies which have been made exempt by virtue of exemption notifications would also be considered as taxable supplies.

This brings us to the question, whether TDS is to be deducted on payments pertaining to supplies which have been made exempt? Under the Income Tax Law, various Circulars have clarified the non-requirement of deduction in situations where the income is unconditionally exempt. Under GST laws, similar clarifications have not been issued and have been a concern for companies.

Compulsory registration for deductors:

Persons who are required to deduct tax are required to obtain registration (whether or not registered separately). The provision does not address the situation where a person is operating through multiple places of business in one State. It remains unanswered whether such a person would require separate registration for each place of business to comply with the compulsory registration provision or a single registration for the entire State would be enough.

Additional compliance burden:

In addition to legal issues, the business would be required to prepare themselves for certain compliance requirements. Over and above the existing returns, the person deducting the tax would also be required to file GSTR-7 for furnishing the details of tax deducted.

The Deductor would also be required to furnish to the Deductee (supplier of goods or services) a TDS certificate mentioning the contract value, rate of deduction, amount deducted, and amount paid to the government within 5 days from the date the TDS is deposited. With fresh challenges under the GST, all the stakeholders must be ready for implementation of the TDS provisions before 1 st October 2018. There is a dire need to clarify the open issues to avoid confusion. It will be interesting to see whether the issues relevant for TDS implementation are discussed and clarified during the 30th GST Council Meeting scheduled on 28.09.2018. We can only wait and watch.

“Growth remains stable across most of developing Asia”

The multilateral agency Asian Development Bank (ADB) on Wednesday maintained India’s growth forecast for the current fiscal at 7.3 per cent. It also expects India to grow at 7.6 per cent during next fiscal (2019-20).

Other projections

ADB’s projection is slightly different from other forecasts. In its forecast last week the global rating agency Fitch upped growth projection for the current fiscal to 7.8 per cent from 7.4 per cent. Similarly, the RBI’s estimate is 7.4 per cent and the Government feels that it could be 7.5 per cent. However, the International Monetary Fund (IMF) cut its projection to 7.3 per cent from 7.4 per cent. India Ratings too lowered its growth projection by 20 bps to 7.2 per cent. Meanwhile, Finance Minister Arun Jaitley said on Tuesday he expects India’s economy to sustain an annual growth rate of around 8 per cent on the back of measures taken by the government such as a unified tax code and a new bankruptcy law.

“We are now starting to see the benefits of reforms that the Government of India has implemented over the past year as the economy recovers from a brief adjustment to these policies including the Goods and Services Tax (GST),” ADB Chief Economist Yasuyuki Sawada said while adding the agency expects growth to maintain its strength and pick up next year as the economy continues to adjust to the reforms and investor sentiment improves.

The positive signs

In its Asian Development Outlook (ADO) 2018, the agency noted a strong 8.2 per cent during first three months of the current fiscal. During this period, private consumption grew by 8.6 per cent, with rural demand recovering as the effects of demonetisation waned and rural incomes increased.

Investment grew by 10 per cent in a second consecutive quarter of double-digit growth, spurred mainly by higher government capital expenditure on new infrastructure and an improved business environment. The manufacturing sector benefited from a low base and resolution of GST teething problems while construction received impetus from rural housing and creation of new infrastructure. Growth in services moderated marginally from the previous quarters as some sectors like trade, transport, and communication services continue to adjust to the GST.

“Domestic demand will continue to drive growth in FY2018 as rural consumption benefits from favorable weather, higher procurement prices for crops and measures taken to bolster farmers’ income. Private investment is also expected to boost India’s growth with new private sector projects spurring economic activity and creating jobs. Net exports, however, are expected to drag on growth, with imports likely to expand more than exports,” the report mentioned. It expects retail inflation to touch 5 per cent which is slightly higher than April’s projection of 4.6 per cent as rising global oil prices and a weaker Indian rupee push retail prices for petroleum products higher.

It also said that strong growth in recent quarters will be balanced over the rest of fiscal year by higher oil prices and policy rates, and by anticipated spillover from global trade turmoil and slower global capital flows. However, “growth is expected to accelerate in FY19 due to improving investment performance as well as beneficial GST impacts including additional revenue, more public investment, and higher corporate productivity as obstacles to business are removed. Progress on resolution of some of the banking sector stress would also aid growth by improving credit flows and boosting investment,” the report said.

While export growth will likely remain strong during current fiscal as the currency becomes more competitive and the business climate improves, the risk of intensifying global trade conflict could hurt the sector’s performance. Imports are likely to outpace exports due to higher oil prices and revival of domestic demand, resulting in the current account deficit (CAD) widening to 2.4 per cent of gross domestic product (GDP) which might widen to 2.9 per cent during next fiscal. CAD implies shrinking value of a country’s net foreign assets, which means less earnings and more payments in foreign currency. ADB’s projection for CAD is slightly lower than other estimates. Moody’s estimate this deficit at 2.5 per cent of GDP in the fiscal year ending March 2019, from 1.5 per cent in fiscal 2018, driven by higher oil prices and robust non-oil import demand SBI’s estimate is 2.8 per cent of GDP.

Garment traders feel the heat of fuel prices

Bangalore Mirror

<https://bangaloremirror.indiatimes.com/bangalore/others/garment-traders-feel-the-heat-of-fuel-prices/articleshow/65971047.cms>

When a Pune-based transportation company notified traders across the country of a 10% increase in transportation cost from October 1, it did not go well with the garment traders. But the root of the transport cost hike goes deeper. Multiple transport companies all over the country are increasing their costs, thanks to the increasing fuel prices. Petrol prices have crossed Rs 82 and show no sign of going down. Bengaluru garment traders say that in order to escape major losses, the overall cost of readymade garments will also be hiked by 0.5% from the coming October

Sajjan Raj Mehta, trade activist and ex president Karnataka Hosiery and Garment Association, says, “The rate at which the cost of petrol, diesel and LPG are rising, it will soon cross the Rs 100 mark. Rise in fuel cost impacts all sectors. The transportation cost will lead to an increase in the overall cost of readymade garments by 0.5%.” He said that all petroleum products must be brought under GST. Currently, petroleum products remain one of the items that are not covered under GST. He argued, “Taxes on petrol are abnormally high at the moment. If brought under GST, the prices of petroleum products will drop by Rs 20-30 as the GST applied will be only 28%. On our requests, the Karnataka government dropped the prices by Rs 2 last week but that was not sufficient for us. GST has been applied on all major products then why has petroleum been left behind?”

He along, with other traders, have been tweeting to the PMO and Finance Minister Arun Jaitley, highlighting their concerns. If the government still does not take cognizance of the matter, the traders plan a large-scale protest against the hike by October.

In a region where Bt cotton rules the roost, Kamal Kishore Dhiran, a farmer in Balodi, 50 km from Yavatmal (in Vidarbha region of Maharashtra) is an outlier. He has been planting desi cotton seeds and withstood the pressure to grow transgenic or Bt cotton since it was introduced in 2002. He was once part of a successful organic cotton venture – the Vidarbha Organic Farmers Association which is now defunct, and which used to export organic cotton.

Dhiran still grows “straight” (as opposed to hybrid) varieties of cotton; he sources it from the Punjabrao Deshmukh Krishi Vidyapeeth in Akola every few years. He is among the few farmers who saves the seed and only buys fresh ones every three years or so.

Dhiran has been a farmer since 1960, and owns 60 acres. He did try out hybrid cotton seeds and grew them with fertilisers and other chemicals – soon he found the yields were falling and he decided to grow desi (indigenous) cotton which was more suited to the area. Today he grows desi varieties like AK 7 and AK 8, and some American varieties, and gets 4 to 5 quintals (100 kg) per acre in dry land and about 8 quintals per acre in his irrigated land. He spends Rs 10,000 to Rs 12,000 per acre, which includes cow dung and other inputs. He deals with his pests using natural enemies and finds that his neighbours are spraying heavily for Bt cotton.

“Bt cotton is like Fair and Lovely [a popular fairness cream]. Does it really change you or make you fair? Similarly Bt cotton doesn’t address the main problem of pests. I have better techniques and fight pests using their natural enemies,” he said.

Dhiran stands alone in a market dominated by hybrid Bt cotton seeds, now numbering over 2,000. Few seed companies sell desi cotton seeds and they serve a niche market. A cursory look at the seeds market in Yavatmal shows the dealers only stock Bt cotton. A Mahabeej (Maharashtra state seeds corporation limited) dealer remarks that no one wants alternative seeds. If they do, they have to place an order in advance; but often, there are no stocks available.

The last few years have seen a vicious attack by the pink bollworm which has developed resistance to Bollgard 2, the proprietary Bt cotton variety produced by Monsanto, reducing cotton yields and driving farmers to despair. This has prompted a belated shift in course away from hybrids, thanks to secondary pest attacks and pests like the pink bollworm that used to ‘minor’ morphing into a serious menace.

The alternatives to Bt cotton

Since 2002, field trials of 25 to 30 Bt cotton hybrids and straight varieties have been conducted under the All India Coordinated Research Project on Cotton. Since 2017, two straight *Gossypium hirsutum* varieties have been released for north Maharashtra. One of them was developed by the Punjab Agricultural University and is named PAU Bt 1; and the other developed by Central Institute for Cotton Research is Bt 6. Farmers are growing them and a private seed company is commercially multiplying the Bt 6 seeds. In addition, the six straight varieties that have approved for

release in Maharashtra are also *G. hirsutum* varieties – PKV 081, Rajat, Surat, and some others, but they are in the seed multiplication stage.

Vijay Waghmare, director, Central Institute for Cotton Research, Nagpur, said the trials were promising and the yields were as good as the early Bt cotton seeds – at 15-20 quintals per hectare in rain-fed conditions and up to 24 quintals per hectare in irrigated conditions. It remains to be seen how these seeds perform in farmers' fields over time.

Straight varieties can be reused by farmers but unless they gain wider acceptance, seed companies may not be interested in producing them on a large scale. However, hybrids continue to dominate the Indian market.

The prevalent menace of illegal Bollgard 3

After cotton fields were devastated by the American or green bollworm, Bt cotton was launched in 2002 but soon secondary pests including the mealy bug surfaced for the first time on cotton in India. The pink bollworm was already chewing up Bollgard 1, and the company Monsanto Mahyco came up with Bollgard 2. Even that has proved to be ineffective against the pink bollworm, as is evident in the last few years.

However, illegal herbicide tolerant Bt cotton is being sold and has found great popularity among farmers. Two years ago, Monsanto withdrew its application for approval of herbicide tolerant cotton from the Genetic Engineering Appraisal Committee over differences on its royalty being cut, but illegal herbicide tolerant cotton has found its way into farmers fields and seems to be extremely popular, with farmers naming it "Bollgard 3". Agents come to villages and sell it cheaply to farmers who have been planting it all over the place. Maharashtra, Andhra Pradesh, Telangana, Gujarat and Tamil Nadu, among other states are growing this cotton but there is little regulation.

Textile exports: modest increase

Business Recorder

<https://www.brecorder.com/2018/09/27/442152/textile-exports-modest-increase/>

Textile exports continued to inch up in Aug-18 as value added segments witnessed moderate growth while there was also an up tick in cotton yarn and cloth exports. According to data released by the Pakistan Bureau of Statistics (PBS) textile exports were up 4 percent in 2MFY19 on a year-on-year basis.

The figures were slightly better for Aug-18 which saw overall textile exports go up by 7 percent as compared to Aug-17. Knitwear has recorded the highest growth on the back of high volume which increased by almost 30 percent in Aug-18. Readymade garments and cotton cloth also witnessed rise in volumes by 27 and 11 percent respectively.

Growth in textile exports can be mainly attributed to the rupee depreciation which has allowed exporters to get more orders in international markets. The incentives provided to the textile sector under the PM incentive package have also provided a boost to the sector.

Going forward, the sector is set to benefit from exemption when it comes to increase in gas prices. Recall that the Punjab based textile industry is getting 28 percent system gas and 72 percent RLNG at an exorbitant rate of almost Rs1500/MMBTU. The government has decided to exempt zero-rated sectors including textile, leather, sports and surgical goods from the increase in gas prices to lower their cost of production by giving a subsidy to the tune of Rs44 billion. In addition, the recently amended finance bill has also provided slashing of duties on more than 80 items which would provide relief to the local industry worth almost R5 billion. There is also a probability that the government will also lower electricity tariffs for the sector. However, procurement of raw materials has remained problematic for the industry and the shortfall in cotton production has not helped either. The earlier imposition of duty on imported cotton had further complicated matters.

US textiles industry to have a voice on trade matters

Innovation Textiles

<https://www.innovationintextiles.com/industry-talk/us-textiles-industry-to-have-a-voice-on-trade-matters/>

President Trump has announced his intention to appoint 2018-19 National Council of Textile Organizations (NCTO) Vice Chairman Don Bockoven to the Advisory Committee for Trade Policy and Negotiations (ACTPN) for a four-year term. Bockoven is the President and CEO of Leigh Fibers and ICE Recycling, companies based in Wellford and Lake City, SC, respectively.

“NCTO is very appreciative of this announcement. Don Bockoven is highly respected leader in the US textiles sector,” said NCTO President and CEO Auggie Tantillo. “Because the textiles supply chain from fibre production to finished apparel and sewn products is very trade-sensitive, the US textiles industry is grateful for the opportunity to have a voice in formulating America’s trade policy,” he added, noting that nearly 40% of duties collected by the US government are on textile-related goods.

The ACTPN is appointed by the President of the United States and is the principal trade advisory committee which provides overall policy advice on trade matters to the Office of the US Trade Representative (USTR). Established by Congress under the Trade Act of 1974, the committee provides information and advice with respect to US negotiating objectives and bargaining positions before entering into trade agreements, on the operation of any trade agreement once entered into, and on other matters arising in connection with US trade policy. The ACTPN considers trade policy issues in the context of the overall national interest.

Leigh Fibers maintains over a million square feet of space dedicated to fibre reprocessing, research and development, quality control, warehousing and administration and is capable of handling over 350 million pounds of recycled fibre

annually.

ICE Recycling custom designs plans for businesses to divert their waste products away from landfills, specializing in carbon footprint reduction, bailing, grinding and packaging of recyclable materials for repurposing in future manufacturing projects.