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NEWS CLIPPINGS –11-10-2018

**Powerloom sector SMEs from
Ichalkaranji to promote textiles and
garments during IITExpo**

KNN India

<https://knnindia.co.in/news/newsdetails/sectors/powerloom-sector-smes-from-ichalkaranji-to-promote-textiles-and-garments-during-iitexpo>

Powerloom Development & Export Promotion Council (PDEXCIL) has again come up with a grand Reverse Buyer Seller Meet (RBSM) to promote export of textiles and garments, connecting the international market with Indian textile exporters and traders.

IITExpo Ichalkaranji 2018 will be a one stop source for all textiles requirements of worldwide buyers and a unique platform for Indian participants where they can gather information on all latest developments and trends in order to gear the development and manufacture of their products in future. The main objective of conducting this RBSM is to provide a direct platform to Indian textiles exporters to interact with buyers from all over the world in their home country at a very low participation charge.

The SME sector is highly motivated to participate in it and increase their export activity. Also it will showcase India as a reliable source of supply with such varied product range.

Under one roof About 100 Indian textile exporters will be displaying a wide range of products with latest trends and qualities.

The exhibition is happening in Ichalkaranji, a city in Kolhapur district of Maharashtra and one of the India's important textile/fabric manufacturing clusters with over 1,50,000 powerlooms. It is having 35 spinning mills many of which are 100% Export Oriented Units producing a wide range of counts, ply yarns, ring and open end yarns and fancy yarns, more than 20 power processes and about 50 hand processing units. The Cluster will be now set-up by a Mega Processing Cluster to address the environmental norms. With the vision to provide a reliable international network platform and practical know-how on all key sourcing markets, latest trends and standards in export, buyers from various countries are invited such as Sri Lanka, Bangladesh, U.A.E, Vietnam, Korea, Senegal, Zimbabwe, Mali, Malaysia, Australia etc.

A. Cotton		
Spot price (Ex-Gin) 28.5 to 29 mm		
Rs/Bale	Rs/Candy	USD Cent/lb
21943	45900	78.70
Domestic Futures (Ex-Gin) July		
Rs/Bale	Rs/Candy	USD Cent/lb
22300	46646	79.98
International Futures		
NY ICE USD Cents/lb. (Dec 2018)		77.01
ZCE Cotton: Yuan/MT (Jan 2019)		15645
ZCE Cotton: USD Cents/lb.		87.13
Cotlook A Index - Physical		86.85
B. Currency		
USD/INR	Close	Previous Close
Spot	74.393	74.071

Cotton Guide:

Cotton looked better as compared to other markets. US equities had their biggest drop in 8 months. Rising interest rates and growing tensions with China seemed to be the heart of the weakness. Cotton for December future at ICE ended lower at 7680, down 21 points. The other months settled from 24 points lower to 7 points higher. Trading volume was 25,483 contracts. Cleared yesterday were 26,899 contracts. Open Interest 255,853 up 49 no major change from previous close. Wednesday's session in China's ZCE futures was modestly lower and the following night session added slightly more to the losses. The ZCE has looked much like ICE or vice-versa as both markets have been slipping since June. China is yet to make an official announcement of their 800,000 tonnes of sliding-scale quota to mills. However some mills just received notice of their allocations, but their buying interest appears to be for non-US growths. Meanwhile Hurricane Michael's wind and rain was making its way to Florida, Georgia, Alabama and the Carolinas where a majority of the cotton crop sits wide open. On the Indian front S-6 variety continued to trade near Rs. 45700 to 45800 per candy ex-gin. The arrivals stood near 30 to 40K bales across India. More supplies are expected in the near as part of seasonal trend. The MCX October future ended the session at Rs. 22350 per bale up by 0.22% from previous close. We believe market may continue to trade in the same range of 22200 to 22480 per bale.

Fx Guide:

Indian rupee has depreciated by 0.3% to hit a fresh record low level of 74.4825 against the US dollar. Weighing on rupee is selling pressure in Asian equity markets after sell-off in US market yesterday. Equity markets are under pressure amid global economic uncertainty amid trade worries, rising interest rates and weakness in China and other emerging markets. Rupee however benefitted from correction in crude oil price and US dollar. Brent crude has

corrected sharply from 4-year high to trade near \$81.5 per barrel as global economic uncertainty fuelled demand concerns. The US dollar index trades weaker near 95.2 levels weighed down by correction in bond yields and safe haven buying in yen. Rupee may remain under pressure unless risk sentiment improves significantly. USDINR may trade in a range of 74.05-74.65 and bias may be on the upside.

GST refunds worth Rs 22,000 cr pending with govt: FIEO

Money Control

<https://www.moneycontrol.com/news/business/gst-refunds-worth-rs-22000-cr-pending-with-govt-fieo-3032321.html>

Federation of Indian Export Organisations President Ganesh Gupta said the delay in refund is mainly impacting small exporters who provide jobs in labour-intensive sectors.

As much as Rs 22,000 crore GST refund is pending with the government, creating liquidity problem for exporters and impacting overseas shipments, FIEO said.

Federation of Indian Export Organisations (FIEO) President Ganesh Gupta said the delay in refund is mainly impacting small exporters who provide jobs in labour-intensive sectors.

"Refunds of about Rs 7,000 crore are pending on account of IGST (integrated GST) and about Rs 15,000 crore ITC (input tax credit) as of September 30. This is impacting small exporters," Gupta told reporters.

He said that liquidity is a major area of concern particularly for MSME exporters who constitute the bulk of exports in employment-intensive sectors.

While refund process has improved in the last six months, the refund can be claimed only after manufacturing of goods and exports with a lead time of about three-nine months depending on the production cycle, he added.

He demanded that exemption from GST should be provided on inputs required for export production to provide necessary competitiveness to exports.

"At present, ITC refund is partly electronic and partly manual. The exporter files refund application at the portal, takes a printout along with acknowledgement and carries it to GST authorities in hard copy along with required documents which too varies from authority to authority," Gupta said.

Talking about credit woes, he said the cost of exports has increased by about 5-6 percent and the big exporters are now using letters of credit (LCs) in place of letters of undertaking.

"The immediate concern of the export sector is with regard to flow of credit from the banking sector. Even getting renewal of limits is taking abnormal time with huge documentation requirement. The export credit declined by 26.4 percent in the financial year ending March 2018," he said. Technically, export credit is under the priority sector

lending but through a complex mechanism, he said, adding the cost of credit is also an issue as interest rates are moving northward.

On rupee, Gupta said the limited intervention by the RBI has not been able to contain the volatility as it is a global phenomenon. The rising crude prices, northward movement of Fed rates in US, pullout by FIIs and increasing current account deficit which is expected to touch 3 percent of GDP as estimated by the IMF are bound to put pressure on the rupee, he said. "Contrary to general perception, such depreciation has not benefited exports to the extent anticipated," he said.

Further, he said the federation has suggested a barter system trade with Iran. He has suggested setting off/adjustment of export receivable against import payable from the same entity in Iran. "Though the RBI guidelines allow such transactions, which are also recognised in the Foreign Trade Policy, but banks are not clear whether this facility is applicable for exports/imports to/from Iran," he said.

**Supply power at Rs 5 per unit:
Industrialists**

Tribune India

<https://www.tribuneindia.com/news/amritsar/supply-power-at-rs-5-per-unit-industrialists/666460.html>

Industrialists have reminded the government of its pre-poll promise of providing electricity to all industrial units in the state at Rs 5 per unit.

A leading yarn manufacturing unit proprietor Kamal Dalmia said the government offered Rs 5 per unit base rate to industry, while they have to pay the fixed cost separately, which takes the power tariff to Rs 7.30 per unit. What is making matters difficult for them is that the lesser they run their industrial unit, higher is the power tariff that they are forced to pay.

He said still there was respite compared to domestic users where the tariff is Rs 10.50 per unit. However, it is yet on higher side in comparison to neighbouring states

In addition, there is around two-hour daily power cut on industries. It forced them to switch over to diesel-run power generators which cost about Rs 25 per unit.

He added that the hiked diesel cost was also telling upon the raw material coming from outside state. The price of polyester filament yarn and nylon filament yarn has recorded around 20 per cent rise in its prices during the last six months.

Industrialists have sought supplying of power at lower rates to revive the vanishing industries in the state.

Punjab Pradesh Beopar Mandal (PPBM) president PL Seth said the industry was going through a rough patch as majority of the units reached stagnation and were beset with high running cost and intense competition from

outside. He said post-independence, Amritsar has seen vanishing of its textile processing, fan manufacturing, carpet weaving and pharmaceutical industries.

These labour intensive industries offered jobs to skilled, semi-skilled and unskilled labourers. It even attracted migrants from states like UP and Bihar to come to holy city to earn their livelihood.

Oil extends losses as other markets fall, inventories rise

Money Control

<https://www.moneycontrol.com/news/business/commodities/oil-extends-losses-as-other-markets-fall-inventories-rise-3032931.html>

Brent crude futures were down 66 cents, or 0.8 percent, at \$82.43 a barrel by 0024 GMT. The global oil benchmark closed 2.2 percent lower on Wednesday after falling to a nearly two-week low.

Oil dropped on Thursday to extend big losses from the previous session as global stock markets suffered a rout, with crude prices also taking a hit from a weekly industry report showing US crude inventories had risen more than expected.

Supply worries also eased as Hurricane Michael likely spared oil assets from significant damage as it smashed into Florida, even as it caused injuries and widespread destruction. Brent crude futures were down 66 cents, or 0.8 percent, at \$82.43 a barrel by 0024 GMT. The global oil benchmark closed 2.2 percent lower on Wednesday after falling to a nearly two-week low. US West Texas Intermediate (WTI) crude futures were down 57 cents, or 0.8 percent, at \$72.60 after dropping 2.4 percent in the previous session.

Stocks on major world markets slid to a three-month low on Wednesday, with the benchmark S&P500 stock index falling more than 3 percent, its biggest one-day fall since February.

Technology shares tumbled on fears of slowing demand and concerns about US-China tensions. Japan's Nikkei 225 was down 3 percent in early trading on Thursday.

"Ugly, very very ugly," Greg McKenna an independent market strategist based near Sydney said in a morning note, referring to declines in global markets.

US crude stockpiles rose more than expected last week, while gasoline inventories increased and distillate stocks drew, industry group the American Petroleum Institute said on Wednesday.

Crude inventories climbed by 9.7 million barrels in the week to Oct. 5 to 410.7 million, compared with analyst expectations for an increase of 2.6 million barrels. Crude stocks at the Cushing, Oklahoma, delivery hub rose by 2.2 million barrels, API said. The US Energy Information Administration (EIA) is due to release official government inventory data Thursday at 11 a.m. EDT. In the US Gulf of Mexico, producers have cut daily oil production by roughly 42 percent due to the storm, the Bureau of Safety and Environmental Enforcement said. The cuts represent 718,877

barrels per day of oil production.

While production has been cut because of the hurricane, "down time is expected to be brief and Gulf of Mexico output now accounts for a comparatively small portion of total US production," Jim Ritterbusch, president of Ritterbusch and Associates, said in a note. US oil output is expected to rise 1.39 million bpd to a record 10.74 million bpd, the EIA said in its monthly forecast on Wednesday.

Missed opportunity: Exporters fail to reap benefits of a weaker rupee

Business Standard

https://www.business-standard.com/article/economy-policy/missed-opportunity-exporters-fail-to-reap-benefits-of-a-weaker-rupee-118101001384_1.html

With the import components of major exports becoming costlier and significant goods and service tax (GST) refunds yet to be released, Indian exporters claim the benefits of a weaker rupee are eluding them.

The rupee has reduced by 15 per cent since the start of the year. Continuously falling for the past six months — the longest such stretch since 2002 — the currency ended at 74.28 to the US dollar on Wednesday. A weaker currency generally denotes better prospects for exports as goods become competitive vis-a-vis competing nations.

"But contrary to popular perception, this depreciation has not benefited exports to the extent that the public expects, since a lot of exporters have already hedged their risk while exporters taking credit in foreign currency are being asked to surrender the equal differential in cash owing to exchange rate fluctuation," Federation of Indian Exports Organizations (FIEO) President Ganesh Kumar Gupta said on Wednesday.

Exporters are also yet to receive Integrated GST refunds worth Rs 80-100 billion. On the other hand, states continue to refuse input tax credit, which have piled up to 150 billion, he added. Getting states to pay up their share of the levy has also remain difficult. States such as Andhra Pradesh, Uttar Pradesh, Bihar and Chhattisgarh have said they are out of funds to pay exporters, he added.

This continues to disproportionately hit small, medium and micro traders, who are still overlooked by banks while providing trade credit, Gupta added. On the other hand, competing economies are not far behind. "Despite India remaining the worst performing currency in the Asia-Pacific region, many other currencies such as Argentinian peso, Brazilian real, Russian ruble, South African rand and especially the Turkish lira, have depreciated at much faster pace giving increasing competition to India in specific sectors such as agriculture, metal and textiles," Ajay Sahai, director general at FIEO, said.

Buyers from Africa, Middle East, Latin America, Asia are generally asking for discounts adversely affecting exports and exporters generally suffer due to currency volatility, he added.

However, India may clock export growth of 20 per cent in rupee terms in 2018-19, according to FIEO.

The government has tried to stop the slide, by making it easier for foreign investors to buy rupee bonds by Indian companies and raising tariffs on imported goods to stem the flow of money out of the country. On the latter issue, regular inter-ministerial meetings are being held. India's exports managed to cross the \$300-billion target for the first time in two years in 2017-18. In the April-August period of the current financial year, exports have risen by 16.13 per cent to \$136.09 billion, up from \$117.19 billion in the same period of the last fiscal year.

However, there were no signs of built-up stress reducing in certain labour-intensive sectors such as apparels. Export of readymade garments continued to contract in August, going down by 3.35 per cent. Industry experts pointed out that the sector has seen a downturn since October, 2017. Another major export earning sector, gems and jewellery, saw shipments rise by 23.95 per cent, lower than the 24.62 per cent growth rate in July. The sector had returned to the growth charts in June after months of contraction.

Exporters complain about lack of creditworthiness

Newsajizz

<https://newsajizz.com/41875-exporters-complain-about-lack-of-creditworthiness.html>

Exporters have petitioned the government about rise in costs due to higher oil prices, lack of adequate credit since the Nirav Modi fraud came to light and repeated delays in GST refunds, while maintaining that they have gained little from the rupee slide.

For small exporters, credit is a problem ever since the fraud at PNB. It is taking much longer to get credit as proposals are sent to zonal office and regional office. For large exporters too, the cost has increased by 5-6%," said Federation of Indian Export Organisations president Ganesh Kumar Gupta.

To top it up, the government is holding up GST refunds of around Rs 8,000-9,000 crore, while states have not given input tax credit to the tune of Rs 15,000 crore, which all added to the cost of Indian exports that already lack competitiveness due to higher logistics

and infrastructure spends. Gupta said he had flagged the concerns to commerce and industry minister Suresh Prabhu on Tuesday.

Export credit declined 26% during the last financial year, which was followed by a 21% fall during the first quarter of the current financial year.

On the rupee's tantrum, Gupta said, the limited intervention by RBI has not been able to contain the volatility. "Contrary to general perception, such depreciation has not benefited exports to the extent anticipated."

India's exports have been rising over the past few months, but exporters see the recent developments are expected to push pressure. Further, he said Fieo has suggested a barter system trade with Iran. Gupta said that liquidity is a major area of concern, particularly for MSME exporters, who constitute the bulk of exports in employment-intensive sectors.

Maharashtra looking for more warehouses

Business Line

<https://www.thehindubusinessline.com/news/national/maharashtra-looking-for-more-warehouses/article25183851.ece>

In order to prevent large-scale wastage of government procured tur dal and other agricultural commodities, the Maharashtra government has started the process of identifying warehouses spread across various departments and institutions, which would be taken over and managed by a nodal agency.

It will leverage the existing State government and cooperative societies facilities for the storage and create a pan-Maharashtra warehouse grid. The Maharashtra State Warehousing Corporation (MSWC), which is jointly controlled by the Maharashtra government and Central Warehousing Corporation, has been identified as the nodal body for the creating the additional warehousing capacity.

Chairman and Managing Director of MSWC Suhas Diwase told BusinessLine that the process of identifying warehouses, which are held by bodies and departments such as Maharashtra State Agriculture Marketing Board, Maharashtra State Cotton Growers Marketing Federation, PWD and Transport Department, cooperative sugar mills and other institutions, is under way. The warehouse facilities will be checked for scientific storage of grains and other commodities. All such facilities will be geotagged on the GIS platform of MSWC, he said.

MSWC already has its own 1,200 warehouses with a combined capacity of holding 17 lakh tonnes of goods. By the end the current year, another 70,000 tonnes capacity will be added.

A government resolution issued by the Cooperative, Marketing and Textile Department said that the capacity creation is being made under Atal Mahapanan Vikas Abhiyan, which is the flagship programme of the department. In the last two years it has been observed that the agriculture goods procured by the Centre and State government in Maharashtra did not have adequate storage space, therefore a warehouse grid needs to be created.

The departments, which have spare capacity have been asked to share the details about their warehouse to the MSWC by October 31. The warehouses would be checked for scientific storage by MSWC and after that, a MoU would be inked. The designated departments will get rent or revenue share form MSWC for their warehouse space.

Govt to soon come out with cargo policy for sustainable growth of aviation

Business Standard

https://www.business-standard.com/article/economy-policy/govt-to-soon-come-out-with-cargo-policy-for-sustainable-growth-of-aviation-118101001231_1.html

The government will soon come out with an air cargo policy, and a vision document is being proposed to ensure "sustainable growth" of the domestic aviation sector for all times to come, Union Minister Suresh Prabhu said Wednesday.

India is one of the fastest growing aviation markets in the world and has been registering double-digit growth for

nearly four years.

Emphasising that security, safety, convenience and affordability are the key aspects, the Civil Aviation Minister said the aviation vision for 2035 would address all the issues so that "we will have a sustainable growth in air travel in India for all times".

The ministry is preparing 'Vision 2035' document for the civil aviation sector.

"We are very soon bringing an air cargo policy...," Prabhu said at a seminar on international aviation security organised by the CISF.

The minister also mentioned about using new technologies to protect a person and his privacy.

"I think we should think about new technologies on how we should protect privacy and the person... How we are going to do that will be another interesting challenge in the future. I am sure we will be able to address it," he added.

Noting that technology itself is not a solution, Prabhu pitched for bringing in best of technology use with best of human mind.

While there has been good growth in passenger numbers, Prabhu said growth itself is a cause for concern because "more the number of people travelling... it becomes challenging to ensure safety of each of them".

Minister of State for Civil Aviation Jayant Sinha stressed on the importance of having a unified command, use of technology and cost effectiveness of security solutions.

"Probably, we are going

IGST exemption: Centre clears bizmen's doubts

Nyoooz.Com

<https://www.nyoooz.com/news/coimbatore/1232791/igst-exemption-centre-clears-bizmens-doubts/>

But the CSIC clarified that the exporters can claim refund of IGST for the exported goods if they import capital goods under the EPCG scheme. It said the exporters who import their requirements without payment of IGST are not eligible for refund of IGST paid on exports of goods. The central government should come forward to extend the relief to import of other goods too," Raja M Shanmugham, president of Tirupur exporters' association, said in a press release. However, the relief was not extended in case of import of goods like fabrics. Tirupur: Knitwear industrialists were relieved after the central board of indirect tax and customs (CSIC) clarified that they could claim refund of Integrated Goods and Service Tax (IGST) for exported goods even if they had imported capital goods under the Export Promotion Capital Goods (EPCG) scheme. "The central government had amended 96 (10) rule of CGST on September 4.

Rupee Fall Has A Surprising New Reason: Not Oil, But RBI

NDTV.Com

<https://www.ndtv.com/business/rupee-fall-has-a-surprising-new-reason-not-oil-but-rbi-1930023>

The worst run of rupee losses in 16 years is set to extend. Only this time, the declines might not be triggered by oil but by the surprise move by India's central bank to hold rates despite the currency's free fall.

The rupee, which has fallen for six straight months in the longest stretch since 2002, is seen sliding to 75 per dollar by year-end, according to median of 10 analysts surveyed by Bloomberg. The December-end estimate has inched up from 69 at the start of September.

Reserve Bank of India Governor Urjit Patel's comments Friday that the rupee's drop is moderate in comparison to emerging market peers and that the central bank doesn't have any target in mind unnerved investors who were expecting the authority to boost its defense of Asia's worst-performing major currency. The rupee fell 0.4 percent on Tuesday to a record low of 74.3950 per dollar.

"Governor Patel has effectively left the rupee out in the cold and insinuated that it is not his job to determine the appropriate level for the currency," said Charlie Lay, an analyst at Commerzbank AG in Singapore. "RBI has seemingly opened the floodgates for further rupee weakness."

The rupee fell past the 74 to a dollar mark for the first time soon after the RBI's decision, and analysts, whose year-end estimates have been obliterated by the meltdown, cut their targets further. Skandinaviska Enskilda Banken AB said the rupee could test 75 in the near term while ING Bank NV said the bank's recent downgrade to 75 wasn't enough.

To be sure, the RBI has for long maintained that it steps in only to curb undue volatility and doesn't target any currency level. That stance places the authority behind counterparts in Indonesia and the Philippines, which have been actively supporting their currencies, Madhavi Arora, an economist at Edelweiss Securities Ltd., wrote in a note

"We expect the weakness to persist, with the rupee heading toward 75-plus levels against the dollar, unless some additional assertive policy steps come through," she said.

Trading slows down on cotton market

Dawn.com

<https://www.dawn.com/news/1438290/trading-slows-down-on-cotton-market>

Cotton prices soared further on Wednesday – up by Rs250 per maund for official rates – driven by a steep fall in rupee value against the dollar. Overall trading activity slowed down on the cotton market.

On ready counter trading prices shot up to Rs8,700 per maund – an indication that lint rates would rise further in coming days particularly when imports have become costlier due to devaluation of the rupee against dollar.

Phutti (seed cotton) prices also soared with Sindh quality being quoted between Rs3,700-4,000 per 40kg, Punjab in

the range of Rs3,700-4,300 and Balochistan between Rs3,800-4,200.

Market sources said the cotton yarn and fabric markets were also tight with dealers generally preferring to hold on to their stocks in the hope of reaping higher profits given that prices in most commodity markets are rising.

On the global front, New York cotton earlier in the morning recovered partially but towards the closing stages once again declined. The Chinese market also closed easy.

The Karachi Cotton Association (KCA) spot rates were revised upward by Rs250 at Rs8,400 per maund.

The following deals were reported to have changed hands on ready counter: 1,200 bales, station Saleh Pat, at Rs8,650; 3,000 bales, Khairpur, at Rs8,500-8,550; 1,000 bales, Rahim Yar Khan, at Rs8,650; 2,000 bales, Rajanpur, at Rs8,500-8,600; 1,400 bales, Fazilpur, at Rs8,500-8,600; 1,000 bales, Khanewal, at Rs8,600; 1,000 bales, Bahawalpur, at Rs8,500; 600 bales, Fort Abbas, at Rs8,500; 800 bales, Burewala, at Rs8,150-8,300; and 600 bales, Haroonabad, at Rs8,300.

Water Shortage to affect cotton yield adversely in Punjab, Sindh

Nation Pk com

<https://nation.com.pk/11-Oct-2018/water-shortage-to-affect-cotton-yield-adversely-in-punjab-sindh>

Due to shortage of water during Kharif season, Punjab could miss over 15 percent while Sindh could have 32 per cent lesser yield of cotton, Senate Standing Committee on Food Security was told on Wednesday.

The meeting was held under the chair of Senator Syed Muzaffar Hussain. Secretary Pakistan Central Cotton Committee briefed the meeting on expected shortfall in production of cotton in the current Kharif season, and the reasons as why the country failed in evolving quality certified seeds which could enhance production and progress after the Plant Breeders Act 2016.

The committee was informed that extraordinary shortage of water during Kharif season had adversely affected cotton sowing. However, Punjab achieved 85 percent of the target and Sindh achieved 68 percent of the target.

While discussing reasons as why Pakistan failed to produce quality certified seeds, the officials said the BT cotton varieties contained Boll Gourd gene that was losing effectiveness. The cotton crop has a number of new challenges such as high temperatures, unexpected rains and resistance to new pests and diseases, the officials said.

Discussing progress after the passage of the Plant Breeders Act 2016, it was revealed that a meeting was held with multinational companies and their Association, Crop Life, at the Ministry on September 26. Officials said that the companies showed no interest in setting up cotton seed business in Pakistan

Chairman of the Committee directed Chairman NARC to submit a report on contribution made by the institute on seed research on various crops. He said that even the Prime Minister had shown concern that Pakistan was falling back on Indian imports for the seeds of major crops. He directed that this report must be submitted within a week.

One of the major reasons for the shortage of cotton crop against the target is higher pesticide prices, he said. He asked Pakistan Central Cotton Committee to make recommendations to address the issue so that the cost of production in cotton circulation might be contained. While discussing water shortage in the Indus System, Chairman Syed Muzaffar Hussain Shah directed that IRSA should submit terms of reference regarding its meeting with the Council of Common Interest (CCI). He further instructed that the meeting of committee of the Attorney General which is due soon, must deliberate on the issue of flood canals and their opening in the wake of acute water shortage in the system. He also stressed the need to enquire whether the opinion of the lower riparian was sought on opening these canals which affect growers in the region.