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NEWS CLIPPINGS –15-10-2018

Cotton Corporation of India plans to purchase cotton from Nov 1	The Hans India http://www.thehansindia.com/posts/index/Andhra-Pradesh/2018-10-15/Cotton-Corporation-of-India-plans-to-purchase-cotton-from-Nov-1-/425114

Cotton Corporation of India (CCI) proposes to open 43 cotton purchase centres in the state to purchase cotton because cotton arrivals will start in the next 15-days. Taking demand into consideration, the Central government has fixed Rs.5,450 as minimum support price (MSP) per quintal. The MSP for cotton was Rs 4,350 per quintal during last year.

The farmers who suffered losses due to falling of chilli prices during the last season shifted to cotton. As a result, cotton cultivation area increased to 6-lakh hectares in the state including 2.49 lakh hectares in Kurnool district during this season.

The details of cotton cultivation are as follows: In Guntur district 1.68 lakh hectares, in Krishna district 48,000 hectares, in Anantapur district 45,000 hectares, Prakasam district 37,000 hectares, East Godavari district 13,000 hectares and Vizag district 11,000 hectares.

When the CCI purchased cotton at Rs. 4,350 last year, it was sold at Rs. 6,000 per quintal in the open market. When the Central government fixed MSP for cotton Rs.5,450 in the present season, the cotton is price expected to go up in the open market.

A P Cotton Association is expecting 60-lakh bales of cotton exports to China during the season due to increase of demand for cotton in the international market. When exporters get orders from China, demand for cotton will increase in the domestic market and the farmers will benefit.

A.P.Spinning Mills Association honorary president G Punnaiah Chowdary said, ``Farmers got on an average 10 quintals yield per acre in state. Due to drought caused by deficit rainfall, the cotton fields were damaged in the state.

However, we are expecting export order from China during this season. China government increased import duty on cotton imports from America. As a result, India will get more exports orders from China. I am expecting India will get at least 60 lakh bales export orders from China during this season."

A. Cotton		
Spot price (Ex-Gin) 28.5 to29 mm		
Rs/Bale	Rs/Candy	USD Cent/lb
21943	45900	79.58
Domestic Futures (Ex-Gin) July		
Rs/Bale	Rs/Candy	USD Cent/lb
22370	46793	81.12
International Futures		
NY ICE USD Cents/lb. (Dec 2018)		73.87
ZCE Cotton: Yuan/MT (Jan 2019)		15620
ZCE Cotton: USD Cents/lb.		86.98
Cotlook A Index - Physical		---
B. Currency		
USD/INR	Close	Previous Close
Spot	73.573	74.125

Cotton Guide:

In the gone by week ICE future for December contract advanced to end at 78.37 cents up by almost 3% from the previous week's close. However, the ZCE future was marginally lower; no major change from the previous week's close but recovered from the week's low and settled at 15435 Yuan/MT. On the domestic front the market advanced sharply. Prices for Shankar-6 have risen to an average of Rs. 46,300 per candy, ex gin (80.00 cents/lb at Friday's exchange rate). Quotes for Punjab J-34 are also higher, averaging Rs. 4,603 per maund, ex gin (75.80 cents/lb). The gains in the spot price amid inadequate flow of new crop arrivals have supported Indian cotton futures to again rise. The October future has ended the week at Rs. 22880 per bale up by Rs. 700 from the previous week's close. Similar kinds of gains have been noticed in the subsequent contracts also. The ICE Market has gained predominantly higher in the last week amid following reasons-

Reports from damages to cotton from Hurricane Michael have indicated that losses to the Southeast crop could total up to 1 million bales. Hurricane Michael in the spotlight as it moved inland over the Florida panhandle, across the Georgia cotton belt and then through the Carolinas. The storm was the third strongest to ever hit the US mainland. If there was a positive it was the fact the storm moved quickly across the region but the high winds and heavy rains which damaged cotton crops in south Alabama, Florida, Georgia and the Carolinas was a much larger negative.

The south Alabama, Florida and Georgia crops took a direct hit. Georgia is the second largest cotton producing state in the US and the USDA had just increased their crop estimate to 2.9 million bales. The fact the crop was 100% open, harvest was accelerating and the plants were loaded means it was hit at the absolutely worst time. It will be some time before the losses can be totaled as the crop is ginned. The concern is first there is yield loss and second the quality loss. For detailed report please access Kotak Commodity Research.

Fx Guide:

Indian rupee has opened weaker by 0.35% to trade near 73.85 levels against the US dollar. Recovery in crude oil price and choppiness in Asian equity markets weighing on rupee. Brent crude has bounced back to trade above $81 per barrel on increased tensions between US and Saudi Arabia. Tensions between US and Saudi Arabia rose as Riyadh warned that it would retaliate against possible economic sanctions taken by other states over the disappearance of a prominent government critic, Jamal Khashoggi. Asian equity markets are mixed on global economic concerns amid trade war, rising interest rates and slowdown in emerging markets. The US dollar has also risen against euro and Pound amid increasing concerns about Brexit. However, supporting rupee are government measures to curb imports and upbeat economic data. Indian's inflation rose 3.77% on the year in September as against Bloomberg estimate of 4% growth. Industrial production rose 4.3% in August as against forecast of 3.8% growth. Rupee has corrected from recent record low levels however general bias may remain weak unless risk sentiment improves significantly. USDINR may trade in a range of 73.55-74.15 and bias may be on the upside

Rupee devaluation brings cheer to cotton farmers	The Hindu https://www.thehindu.com/news/cities/Hyderabad/rupee-devaluation-brings-cheer-to-cotton-farmers/article25218490.ece

Export-led demand promises good returns this season

The devaluation of rupee has increased the demand for Indian cotton in international markets according to cotton exporters. The phenomenon will also ensure that farmers in cotton intensive places like erstwhile unified Adilabad district get a good price for their produce this season, said Adilabad based exporter Deepak Birolia.

“The depreciating rupee has made cotton prices favourable for export and countries like China are already actively purchasing the produce. The current price for a candy is between ₹ 45,000 and ₹ 46,000 which makes it feasible for purchasers at local market yards even in erstwhile Adilabad to pay the farmers above the minimum support price of ₹ 5,450 per quintal,” Mr. Birolia affirmed.

“As rupee has fallen to ₹ 74 a dollar from ₹ 64 in March this year, purchasers will pay more to farmers,” the exporter opined. “Similarly, foreign importers will be required to pay less in dollars,” he explained.

Trading in cotton is slated to start in Adilabad Agriculture Market, the largest in erstwhile Adilabad, on October 17 and will start elsewhere after Dasara festival.

Arrival time

“The total arrival during the season will be 23 lakh quintals in Adilabad district, 18 lakh quintals in Kumram Bheem

Asifabad and 12 lakh quintals each in Mancherial and Nirmal district," estimated Adilabad District Manager (Marketing) T. Srinivas.

The farmers will also face less of problem this season arising out of the implementation of the purchase parameters of moisture content in cotton. "In order to ensure transparency and stop farmers from getting cheated, we are forming committees comprising of one farmer representative and two officials of the market committee concerned," disclosed Collector D. Divya of the measures being initiated towards smooth trading.

Committees formed

"Instead of the old practice of assessing the moisture in the produce while it is laden on the vehicle, the produce will be put in a tub for checking the wetness. As it will be done in the presence of the committee there would be no scope for alleging malpractice," she explained.

The district administration has also readied about 15,000 pieces of tarpaulin to be distributed among farmers. The farmers can spread their produce for drying out which will lessen the moisture content drastically thereby improving the quality of the produce.

The current state of cotton and other crops in old Adilabad is quite healthy as there was less of pestilence thanks to the weather during the season. The only thing that is worrying the farmers is the yield of the crop which is likely to drop by a quintal or two in the final analysis.

"A good number of farmers will have the yield below 6 quintals per acre," predicted cotton farmer Sama Dharma Reddy of Rampur in Adilabad Rural mandal as he weighed in his mind the fluctuation in weather earlier in the season. "But, if the price remains firm for the entire season then the loss to farmers will get compensated," he hoped.

Whirring spindles rekindle hope among weavers	**The Hindu** https://www.thehindu.com/news/national/telangana/whirring-spindles-rekindle-hope-among-weavers/article25218504.ece

Activity picks up in Sircilla textile town with revival of Sri Raja Rajeshwara Cooperative Spinning Mill

Revival of Sri Raja Rajeshwara Cooperative Spinning Mill Limited at Peddur on the outskirts of Sircilla textile town, — shelved in 2000 — by a private firm Venkateshwara Spintex Private Limited from October 1 has rekindled hopes among the powerloom weavers.

The State government had established the spinning mill to provide yarn for the powerloom industry here in 1994. Earlier, yarn was being sourced from Maharashtra, Gujarat and Tamil Nadu. However, the mill was closed down in 2000 after running into losses. The State government had sold the mill to private person Ranga Ashok of Jagtial district who had operated it from 2005 to 2016. Later, even the private party stopped production at the mill due to escalation of power bills which touched ₹80 lakh and a penalty of ₹65 lakh. The Cooperative Electricity Society of

Sircilla (CESS) had also disconnected the power supply to the mill.

Minister's intervention

When the mill's displaced employees bought the issue to the notice of Minister for IT and Municipal Administration K. Taraka Rama Rao, he immediately directed CESS authorities to allow the mill owners to pay their dues in easy instalments and provide power at the rate of ₹1.50 per unit on a par with the powerloom industry. He also spoke to the bankers and ensured that the mill owners take up the revival of the unit.

Boon to powerloom

After modernisation of the spinning mill, Principal Secretary IT and Industry Jayesh Ranjan, along with Collector P Venkatarama Reddy had formally inaugurated the mill on October 1 in a low-key affair. The mill was set up with 23,184 spinning spindles to produce 5,700 kg of 40 count yarn cotton yarn per day and providing employment to 350 persons.

The revival of the spinning mill has come as a boon to the Sircilla powerloom industry, which consumes more than 40,000 kg of yarn per day. Raw material is available abundantly owing to cotton cultivation in the region, which would give another fillip to the mill to produce more yarn. Collector P. Venkatarama Reddy said the revival of the mill has provided employment to more than 400 workers in the region. He added that Sircilla town would soon emerge as the textile hub with the availability of powerlooms, textile park, spinning mill and apparel parks.

Textile industry urged to diversify into new markets and products	**The Hindu** https://www.thehindu.com/news/cities/Coimbatore/textile-industry-urged-to-diversify-into-new-markets-and-products/article25218526.ece

A majority of India's textile and clothing exports are to countries with which there are no free trade or preferential trade agreements, said Aditi Das Rout, Trade Advisor, Ministry of Textiles.

At a meeting organised here on Friday by the Indian Texpreneurs' Federation, Ms. Rout said India's textile and clothing exports are almost stagnant for the last five years. The top destinations for the textile and clothing exports from the country are the US and the European Union. Substantial exports are also to emerging markets such as the UAE, Bangladesh, and China. Nearly 63 % of the exports are to markets where there are no free trade agreements, she said.

India has 10 Free Trade Agreements and six Preferential Trade Agreements. "We need to analyse why our trade has not performed despite the agreements," she said. Such agreements look at various issues and compliances that prove expensive for the small and medium-scale businesses. The textile and clothing industry is largely fragmented and is with SMEs. Ms. Rout urged the industry to diversify into new markets and products, using branding as an effective tool, and invest to achieve economies of scale.

The Ministry of Textiles plans to handhold SMEs with trend forecasting services and have display locations and warehouses in potential and emerging markets. This is to give the exports more visibility, she said.

Keshav Chandra, Joint Secretary in the Union Ministry of Commerce, said the Government is working on a National Trade Portal. The first module of the portal is expected to be up and running from August-September next year. The portal will have four dimensions - logistics, online certification systems, financial systems, and compliances.

The textile and clothing exporters are struggling to compete with countries such as Vietnam and Bangladesh. There is lack of nimbleness in the industry and Government.

“We are not fast enough to see what the next option is,” he said. The official suggested having a focused group for each country and study the export-import trends and issues.

The Indian Texpreneurs Federation presented a report on “Competition Analysis and Way Forward for FTAs for Indian Textile Sector”. The report says India faces competition from Pakistan mainly because Pakistan receives zero duty market access in EU. In general, the country’s textile and clothing exports have tariff disadvantage ranging from 1 % to 40 %.

The way forward is to seek better market access under current FTA negotiations and have mutual recognition agreements with major export markets to combat impact of non-tariff barriers.

Gujarat cotton season opens with higher prices	**Financial Express** https://www.financialexpress.com/market/commodities/gujarat-cotton-season-opens-with-higher-prices/1347470/

Delay in arrival, good demand from mills and higher minimum support price (MSP) have ensured that the new cotton season in Gujarat opens with higher prices this year. Cotton prices are about 20% higher as compared to last year (2017-18).

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New cotton prices in Gujarat are at Rs 46,200-46,500 per candy of 355 kg this year in mid-October as compared to Rs 38,500-39,000 per candy in the corresponding period last year. According to traders and market experts, prices may not fall in the near future. Instead, prices could even rise.

“Due to good yarn exports during last season, at this time, mills do not have cotton stock. Moreover, rupee depreciation has made Indian cotton cheaper, which will encourage exports demand in coming days, and the government has hiked cotton MSP. All these factors have changed the sentiments in new season and as result, cotton prices have opened higher as compared to last year,” said Arun Dalal, a leading cotton trader from Ahmedabad.

SRTEPC urges govt to include yarns & fabrics in RoSL	Fibre 2 Fashion https://www.fibre2fashion.com/news/textile-news/srtepc-urges-govt-to-include-yarns-fabrics-in-rosl-245087-newsdetails.htm

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) has urged the Union minister of commerce and industry Suresh Prabhu for inclusion of yarns and fabrics segment under Rebate of State Levies (RoSL) scheme. In their representation, the council has also requested for 6 per cent RoSL rate to be considered for rebate of yarns and fabrics exports.

The state taxes and duties are neither included in the ambit of GST nor rebated, said SRTEPC adding that these charges embedded especially on yarns and fabrics exports are around 6 per cent of FOB value of exports.

In the meeting with the minister, council members discuss various issues being faced by the MMF textile segment regarding export promotion incentives, GST, MEIS Scheme, etc.

Chairman Narain Aggrawal informed the minister that it has been a real challenge for the MMF textile segment, to cope up with the GST regime. Being under inverted duty structure, the MMF textile trade and industry has been receiving step-motherly treatment as compared to other fibres segments. "Over 14 months have passed since the new tax regime was implemented in India, but unfortunately, there are various anomalies in the GST system that has been affecting the MMF textile segment."

On priority basis, the government should consider various issues including refund of Input tax credit availed on input services, inclusion of MMF textile products falling under equal or lower rate of GST, refund of IGST on capital goods, removal of double taxation on ocean freight, immediate refund of accumulated Input Tax credit and inclusion of MMF textile products falling under equal or lower rate of GST. Also, exclude import of capital goods from GST as it is adversely affecting investment in the textile sector and defeating the purpose of the 'Make in India' initiative of the government.

Ronak Rughani, vice-chairman, SRTEPC pressed on the issue of ITC lapse mentioned by the government. The lapse of unutilised credit will be a huge setback for the textile exporters as this provision is against the basic settled principle that the right validly earned cannot be extinguished. He informed the minister that the lapsed amount is leading huge losses in the books of accounts as the same has now become cost of business for the exporters.

The recent US sanctions on Chinese imports of fibres, yarns and other textiles will make these items highly prone to dump in India by China. To set off this situation China is considering further increase in its subsidies on the textile exports which will lead to further escalate the imports into India. In view of this recent Chinese development, SRTEPC requested the minister for incentivising the textile sector to increase competitiveness of the Indian textile industry globally.

"MEIS scheme gives much needed cushion for increasing competitive edge of the MMF textiles that have been facing tough price competition from countries like China, Taiwan, Korea, Indonesia, Vietnam, etc. The governments of the

South Asian countries incentivise exports through refund of duties as high as 17-21 per cent apart from giving multi-layer subsidies," said Rughani urging the minister that rewards under MEIS Scheme need to be extended to all MMF textile items including fibre, yarns, fabrics and made-ups and MEIS reward rates should be increased to 5 per cent for all the MMF textile tariff lines.

Why the GST audit can be seen as an opportunity, not just a futile compliance exercise	Financial Express https://www.financialexpress.com/opinion/why-the-gst-audit-can-be-seen-as-an-opportunity-not-just-a-futile-compliance-exercise/1347522/

There is a need for companies to gear up on the technological reporting front to ensure hassle-free compliance going forwards.

The goods and services tax (GST), which was implemented on July 1, 2017, has been one of the biggest indirect tax reforms India has ever seen. The initial year of GST has not been smooth. Typically, as a part of the GST implementation process, taxpayers across the nation carried out series of activities, including taking tax positions, extensive upgradation of ERP, and alteration of processes around transactions to be GST compliant.

The entire process of GST implementation was completed amidst clouds of interpretation issues, the absence of clear guidelines and, more importantly, with the pressing goal of 'going live'. One of the important aspects which was overlooked was whether the advice received on GST was appropriately implemented at the ground level, considering that data collation and filing the returns in a timely manner took the entire energy and bandwidth of the in-house tax teams. Processes put in place were not adequately followed, sometimes because of the data entry issues by non-GST experts, and at many a times because of third party challenges arising out of their understanding of GST and wrong filings. The GSTR 2A reconciliation is probably one of the largest examples of how there was a mismatch of data between the credit being claimed by the recipient of supplies and that being filed by the supplier. In addition, frequent changes in GST law and some of the counter-intuitive interpretations taken in AARs have been adding to the woes of the industry about positions to be taken.

The GST laws provide for a mandatory audit to be undertaken by every registered person whose aggregate turnover during a financial year exceeds `2 crore. The audit is required to be carried out by a chartered accountant or a cost accountant, who is required to certify "whether in his opinion and to the best of his information and according to examination of books of account including other relevant documents and explanations given to him, the particulars given in the said form No.9C are true and correct subject to observations/qualifications, if any". To this end, form GSTR-9C has been notified which requires reconciliations to be done for taxable turnover, input tax credit and tax paid. Another requirement by the corporates is that of filing of annual return in form GSTR-9

With the government's increased focus on tax compliance and the exhaustive reporting that is required of corporates, it is not going to be an easy task going forward. There is clearly a need to look back and do a detailed introspection on what was done in the last year, and what improvements need to be carried out to ensure that companies do not end up being non-compliant or struggling to obtain data that is required to be reported. The GST audit provides an opportunity to the industry to carry out the introspection exercise. While one approach to look at the GST audit is that it is a statutory requirement along the lines of the erstwhile VAT audit, and what is asked of the auditors is merely a certification of mathematical accuracy, would it not be wiser to look at this as an opportunity to carry out a review of what has been done over the past year, instead of merely considering it as 'one more compliance'?

To this end, the GST audit approach should be divided into phases to include (a) position review, (b) reconciliations and certification and (c) GST process review—focused on technology enhancements to achieve the desired reporting requirements and technology driven validations. It is noteworthy that, currently, the government is further ahead on technology than the industry, and there is a need for companies to gear up on this front to ensure hassle-free compliance going forwards.

While planning the timelines for the GST audit, the taxpayers need to factor in some key deadlines prescribed under the GST law. The last date for filing the annual return is December 31, 2018, and the GST audit report is required to be submitted along with the annual return. In addition, corporates are also reeling under the pressure of carrying out the credit matching which needs to be done before the filing of returns for the month of September 2018. While it is unclear as to what is the last date which needs to be considered for credit matching, whether it is October 20, 2018 (last date for filing of form 3B), October 31, 2018 (last date for filing of GSTR-1) or the date of filing of the annual return, a conservative approach requires that the exercise be completed at the earliest possible date, preferably before October 20. Needless to mention this becomes the top priority.

That said, there is a limited time-frame available to complete the GST audit, considering the time required for carrying out the review exercise and the reconciliations that are required to be prepared. Prudence demands that any wrong positions taken or any errors committed are corrected while filing the annual returns and that the audit report is aligned to the annual returns and the books of accounts, leading to improvements in the future.

TEA hails CBIC clarification on IGST refunds	**Fibre 2 Fashion** https://www.fibre2fashion.com/news/textile-news/tea-hails-cbic-clarification-on-igst-refunds-245102-newsdetails.htm

The Tiruppur Exporters' Association (TEA) has welcomed the recent Central Board of Indirect Taxes and Customs (CBIC) clarification that exporters claiming refund of integrated goods and services tax (IGST) paid on export of goods can get it even if they import capital goods under the Export Promotion of Capital Goods (EPCG) scheme, saying it is a great relief.

TEA president Raja M Shanmugham said in a statement that despite the permission given for imports made under EPCG scheme, the relief has not been extended for imports (like fabrics) made under the Advance Authorization scheme

Post-Brexit options grow	Telegraphindia https://www.telegraphindia.com/business/post-brexit-options-grow/cid/1671858

India is discussing an ambitious free trade pact with the UK which would include an agreement on services and financial markets and could be signed soon after Britain negotiates its Brexit deal with the European Union.

Top officials from both India and Britain said talks were on even as the UK struggled with its negotiations with the European Union, from which it is separating following a referendum in 2016.

Britain is also trying to build safeguards into its Brexit pact which would allow Indian companies to continue to operate out of London and access the European markets, diplomatic sources said.

Trade between India and the UK stands at $24 billion a year and analysts believe this can be easily ratcheted up to $30 billion by 2020, even without a trade pact.

“An ambitious trade pact could catalyse trade to higher levels,” said Biswajit Dhar of JNU and former director-general of RIS.

Indian firms employ more than 1.1 lakh people in the UK and account for more than $68 billion in revenues. Around half of India’s investments to the European Union goes to the UK and about three-fourths of that to the city of London.

Britain is trying to continue its hold on Indian business post Brexit by wooing them with technological partnerships in high-tech areas such as low-carbon automobile engines, graphene engineering and aerospace, many of which are expected to be signed in a tech summit slated for December this year.

Top officials said, “Britain on its part is interested in expanding its footprints in the financial sector in India and in projecting London as the first choice for Indian companies raising global finance, so a deal involving financial markets is important for them.”

India, in its bid to pave the way for a post-Brexit deal, agreed to allow 100 per cent foreign direct investment in insurance brokerages.

Llyod’s has started a reinsurance office in Mumbai last year, which is eventually expected to turn into an insurance trading centre. Lloyd’s and the European and American reinsurers would like India to give up its policy of allowing state-run GIC the first right of refusal for any reinsurance contract.

Right now Lloyd’s India is licensed by the Insurance Regulatory and Development Authority of India as a branch of Lloyd’s UK to underwrite the reinsurance business in India. Lloyd’s India is not allowed to act as a trading floor for normal insurance business, and the UK is keen Lloyd’s gets the permission.

On its part, India is also keen on deals to ease the export of software as well as the movement of IT and healthcare professionals. However, till date, Mode 4 negotiations, or the negotiations on temporary export of Indian skilled personnel, has been on hold given the Theresa May-government's stance on immigration.

India's textile and garment sectors are also extremely keen on a trade pact with the UK. These sectors are major forex earners, after software and gems and jewellery. India has been getting a raw deal in garments over its main competitors — Bangladesh, Cambodia, Vietnam and Pakistan — which have the advantage of either agreements or quotas.

Indian export of garments to Europe on the other hand attracts a 9.6 per cent duty, making such products uncompetitive.

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.

Bangladesh wants bigger Indian investment	Dhaka Tribune India https://www.dhakatribune.com/business/2018/10/13/bangladesh-wants-bigger-indian-investment

Bangladesh High Commissioner to India Syed Muazzem Ali has called on the Indian businesspeople to boost their investment in Bangladesh to reap the benefits of the country's rapid economic growth and business friendly environment.

He was speaking at the Pondicherry Global Economic Summit and the Fifth World Tamils Economic Conference Pondicherry on Saturday, reports UNB.

High Commissioner Syed Muazzem Ali suggested establishment of a series of 'buyback' projects, where Indian investors will set up industries in Bangladesh and re-export to India and in some other neighboring countries.

Similar equation exists between US-Canada and US-Mexico. Through these buy-back projects, within a very short time, Canada and Mexico have emerged as the largest trading partners of the USA, he said.

"If they can do it, we can do it as well," Syed Muazzem said.

He urged the Indian investors to take advantage of Bangladesh's competent labour costs and closer proximity to North-East markets.

He mentioned that several Indian mega companies like Hero-Honda, Tata group or CEAT Tire companies have set up such projects in Bangladesh.

"These are small projects, but we need much bigger investments. If we could engage in bigger projects, this will also ensure the stability of our relationship," he said.

Syed Muazzem said Bangladesh and India may delve into joint venture partnership in important sectors such as Agro Processing, Automobiles, Ceramics, Chemicals, Gems and Jewelry, Light Engineering, ICT, Hospital and Medical Equipment, Pharmaceuticals, Plastics, Professional Services, Tourism, Textiles (including home textile).

The envoy said Bangladesh would need substantial investment to broaden her exportable base. "It is little unfortunate that investment opportunities for Indian industrialists in Bangladesh had not been fully explored in depth so far."

Syed Muazzem said Prime Minister Sheikh Hasina and her government have given maximum importance to transform Bangladesh into one of the most favoured investment destinations in South Asia and all the policies and practices are now in place to create a favourable environment to carry out necessary businesses of the investors.

Bangladesh, he said, is being considered as the most liberal and business friendly economy in this region and one of the most attractive destinations for business and investment.

Geographically, also, Bangladesh is located in such a position, where it can act as a hub of connectivity between South and South-East Asia, said the High Commissioner.

He said Bangladesh's rising economic trajectory is also a testimony that Bangladesh offers huge opportunity to the investors.

"If all these positive trends continue, we expect to implement Prime Minister Sheikh Hasina's 'Vision 2041' to make Bangladesh a developed country by the year 2041," the High Commissioner told the business summit.

Industrial park in Ethiopia builds friendship with China by bringing jobs, skills to local people	**Global Times** http://www.globaltimes.cn/content/1122859.shtml

A Chinese-built industrial park in Ethiopia has been helping the African country with its industrialization drive.

Thirty-seven kilometers south of Addis Ababa, capital of Ethiopia, the Eastern Industry Zone has attracted 85 companies to build factories, making clothing, textiles, shoes, cement, medicine and automobiles.

Inaugurated in 2010 by Chinese investors, the industry zone is the only overseas economic and trade cooperative zone that is supported by Ethiopia at the national level.

The LED screen at the park gate displays Chinese characters reading "China-Africa friendship, cooperation and win-win" every day. Beside the screen, local people gather, waiting for job opportunities.

The park has provided more than 10,000 work positions for local people.

A 27-year-old Ethiopian man, nicknamed Shanghai, is one of the first local employees of shoemaker Huajian Group in Ethiopia. After six years working in the Chinese company, including one year of training in China, he has become an assistant manager, earning more than 7,000 yuan ($1,012) a month.

"Thank you Chinese people, who taught me skills, culture and manners," he said.

In the 40-hectare Eastern Industrial Zone, Huajian produces for brands like Guess, Calvin Klein, Nina and other branded items. It set up its factory in 2011. In 2017, Huajian Group brought $31 million in foreign exchange income to Ethiopia.

Wu Yunfei, a Chinese worker in a printing and dyeing mill in the Eastern Industry Zone, said that even though he could not speak English, he got along well with local employees. "We use gestures and smiles… that's enough."

Ethiopian President Mulatu Teshome in August said Chinese investment plays an indispensable role in the East African country's industrialization drive, the Xinhua News Agency reported.

"A decade ago the land the Eastern Industry Zone currently lies on was just agricultural land, but with hard work it has become today a showcase of high quality industrial factories in sectors such as pharmaceuticals, pulp and textile," said Teshome, Xinhua reported.

The industrial park in Ethiopia is part of the story of how China has built overseas trade and economic cooperation zones in Cambodia, Vietnam, Pakistan, Zambia, Egypt, Nigeria and elsewhere.

Chinese companies have built 75 zones for economic and trade cooperation in 24 countries along the Belt and Road routes, contributing more than $2.2 billion of taxes and creating almost 210,000 local jobs by the end of 2017, according to official figures, Xinhua reported in April.

Workers protest government's failure to revive textile industry	**Guardian** http//guardian.ng/news/workers-protest-governments-failure-to-revive-textile-industry/

Urge Electorate To Vote Out Non Performing Northern Governors, Others In 2019
Textiles Workers at the weekend in Kaduna protested the non-resuscitation of collapsed textiles industry in the north and called on the 19 Northern Governors to immediately put machinery on ground to revive the sector.

The protest, which was led by the President of the National Union of Textiles, Garment and Tailoring Workers Union of Nigeria (NUTGWN), John Adaji and the Secretary General of the Union, Isaac Aremu attracted labour leaders and workers.

The aggrieved protesters also condemned the attitude of the Federal Government in its failure to resuscitate the industry and other manufacturing sectors of the nation's economy, thereby leading to unemployment and other social vices across the nation

Demanding good governance, Aremu declared: "In 2019 elections, Textile workers and organised labour would only vote for candidates that are committed to sustainable industrial development and revival of industries.

"Nigeria must stop exporting raw cottons, crude oil, mineral resources, gold and diamond only to be importing finished goods from China, Europe and America."

He also revealed plans to hold massive rally in Lagos tomorrow to further draw attention to the plight of textile industry.