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NEWS CLIPPINGS –21-12-2018

Production of dhotis, saris for Pongal in full swing	**The Hindu** https://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/production-of-dhotis-saris-for-pongal-in-full-swing/article25794028.ece

Collector C. Kathiravan said that production of 57.37 lakh saris and 57.23 lakh dhotis for distribution to ration cardholders across the State for Pongal was in full swing in the district.

On Wednesday, he along with officials of Handloom Department inspected the production activities at Bhavani Primary Handloom Weavers Cooperative Society. Addressing media persons, Mr. Kathiravan said that the State Government was distributing free dhotis and saris to the cardholders during Pongal every year of which 60% of the material was produced in the district.

During Pongal 2018, 57.71 lakh saris and 62.85 lakh dhotis were produced in the district and the target for 2019 was 57.37 lakh saris and 57.23 lakh dhotis.

There were 190 handloom cooperative societies in the district with 64,019 members who produced bed sheets, bed spreads, towels and pillow cover with handicraft.

The Collector said that 9,724 weavers in the district were receiving 200 units of free electricity and also receiving various benefits under various schemes.

A total of 5,303 weavers were receiving old age pension and 384 beneficiaries receiving family pension. Thus, a total of 5,687 beneficiaries were receiving Rs. 56.87 lakh assistance every month, he added.

Cotton and Currency Markets	**Kotak Commodities Research Desk** **For more details contact :** Research@kotakcommodities.com & aurobinda.gayan@kotakcommodities.com

A. Cotton		
Spot price (Ex-Gin) 28.5 to29 mm		
Rs/Bale	Rs/Candy	USD Cent/lb
21005	43900	79.34
Domestic Futures (Ex-Gin) November		
Rs/Bale	Rs/Candy	USD Cent/lb
21540	45019	81.36

International Futures		
NY ICE USD Cents/lb. (Mar 2019)		75.06(-1.65)
ZCE Cotton: Yuan/MT (May 2019)		15265
ZCE Cotton: USD Cents/lb.		100.64
Cotlook A Index - Physical		85.05 (-1.00)
B. Currency		
USD/INR	Close	Previous Close
Spot	70.05	69.70

Cotton Guide:

As predicted in our last report, cotton skidded on a slippery slope. The change was again a triple digit decline of (-165) for ICE March, where it touched 75.02 cents/lb at the lower end and 77.44 cents/lb on the higher end, thus settling at 75.06. It was a clear victory for the bears. Similarly, the ICE May contract settled by (-154) lower at 76.47 cents/lb. July and October contracts showed a decline of (-143) and (-123) points. The level of 75.50 is breached and now currently when we are writing this report, it is trading at 75.25 cents/lb. We should expect or target a price of 74.50 cents/lb. The market is nearing an oversold condition and a further breakdown will mean that price to decline for March towards 73.70/74 cents/lb. Cotton might take a pause near 74 level, we can take physical trade decisions accordingly.

MCX echoed the global sentiments. MCX December contract showed a skid of (-300) settling at 21,540 Rs/Bale having a trading range of 21,220 and 21,510 Rs/Bale. MCX January contract was (-300) points lower settling at 21,760 Rs/Bale. The trading range for January contract was between 21,740 and 21,460. February and March contracts also settled with (-290) and (-340) figures at 21,990 and 22,260 Rs/Bale Respectively.

The arrival figures according to cotlook were at 179,000 lint equivalent bales (170 Kg). Shankar 6 prices were even lower at 43,900 Rs/Candy. Cotlook was adjusted lower at 85.05 cents/lb by (-1.00) {CFR Far Eastern Ports}

Net upland sales for 2018-2019 were up at 142,300 Running bales (RB) from the previous week and up around 8 percent from the four week average. Increase: Vietnam 49,400 RB, Bangladesh 46,500 RB, Turkey 13,500 RB, South Korea 9,200 RB, Pakistan 6,700 RB. Reductions: Honduras 3,500 RB, China 2000 RB, Japan 500 RB. Net upland shipments figures remained static at 154,300 RB but were up around 5 percent from the four week average. The primary destinations were Vietnam 47,400 RB, China 22,900 RB, Mexico 18,000 RB, South Korea 11,700 RB, and Peru 8,400 RB. Net sales of Pima for 2018/2019 summed up to 9,600 RB. Destinations included India 7000 RB, China 900, Peru 700, Pakistan 300, and Turkey 300.

On the Technical front, ICE March futures witnessed sharp decline as it breached the crucial support of 76.50. For now 74.50 holds immediate support, if held then it could retrace towards the resistance levels at 76.20-76.50 zone. However failed to hold 74.50 could bring further selling pressure in the March futures towards 74.00 levels. Meanwhile RSI has rebounded to 35 within an hour, at 8:00 am it was around the mid 20’s. A phase of weakness might persist for few trading sessions. So in a near term price is expected to trade in the range of 76.50-74.00 with sideways to downside bias. In the domestic markets trading range for December future will be 21050-21450 Rs/Bale.

Currency Guide

Indian rupee has opened 0.4% lower in early trades today to trade near 70 levels against the US dollar. The currency has weakened after nearly 1% rise yesterday amid rebound in Crude oil prices today. Also putting pressure on the currency is weakness across equity market amid global growth worries. The downside may however be capped tracking recent selloff in global crude oil prices along with general downtrend in US Dollar. The dollar index hit one month low of 96.168 yesterday amid worries that US economy may slowdown next year along with flattening yield curves. Furthermore liquidity boosting by RBI along with hawkish comment by monetary policy committee members in minutes of their Dec. 5 meeting may also cap the downside. For the day we expect USDINR to trade in a range of 69.6 - 70.4 with bias being sideways to positive.

Global trade crisis: US, China and EU play blame game at WTO forum	**Business Standard** https://www.business-standard.com/article/international/global-trade-crisis-us-china-and-eu-play-blame-game-at-wto-forum-118122100004_1.html

The European Union and other allies generally agree with the White House's criticisms of China, but they disagree with President Trump's strong-arm tactics, such as tariffs to pressure China

The Americans accused the Chinese of being modern-day mercantilists who steal intellectual property. The Europeans accused the Americans of provoking a crisis in the world trading system, threatening the global economy.

And the Chinese invoked Spider-Man. Unlike Spidey, the Chinese emissary said, America is not using its superpowers with great responsibility.

The trash-talking by otherwise restrained diplomats took place at a normally dull occasion: a review of American trade policies at the World Trade Organization in Geneva.

The reviews, held every two years, usually attract only lower-ranking diplomats. They are intended to allow WTO members to explain their trade policies and for other members to comment and ask questions. But in an age of severe trade tensions, countries sent full-fledged ambassadors and the sessions, which were held on Monday and Wednesday, became a venue for allies and adversaries alike to vent their anger at American policies they said were illegal and destructive.

The debate provided another example of the way the Trump administration's confrontational approach to international diplomacy has altered the rules of engagement at international institutions like the WTO The niceties of protocol are eroding and the language has become more blunt.

“The multilateral trading system is in a deep crisis and the United States is at its epicenter,” Marc Vanheukelen, the European Union's ambassador to the WTO, said Monday, the first of two days of debate about United States policies. He was one of more than 60 diplomats who expressed views, often critical.

The United States, by contrast, tried to turn the discussions into a platform to attack China and what the American emissary, Dennis Shea, said was exploitation of WTO rules in a quest for economic hegemony.

“China will force technology transfer, and outright steal it when it sees fit,” Mr. Shea, the deputy United States trade representative, said at Wednesday's session. “China will subsidize and maintain excess capacity in multiple industries, forcing producers in other economies to shut down. China will dump its products on our markets, claiming that all is O.K. because our consumers pay a bit less."

The European Union and other allies generally agree with the White House's criticisms of China. But they disagree with the President Trump's strong-arm tactics, such as tariffs to pressure China. They have expressed fear that the Trump administration is fomenting a new Cold War with China that will force them to take sides. Many countries in Europe, Asia and Africa depend on trade with both the United States and China.

The tensions between the two countries show no signs of easing. Top advisers to Robert Lighthizer, the United States trade representative, briefed Congress on Tuesday afternoon about the state of the trade talks with China and left staff with the sense that the negotiations were in disarray.

Congressional aides said after the briefing that they were not optimistic about the prospects of reaching a significant deal by March 2, the new date for proposed increases in United States tariffs on China. One aide said that the trade officials, Stephen P. Vaughn, the general counsel of the trade representative's office, and Jeffrey D. Gerrish, Mr. Lighthizer's deputy, suggested that the tariffs that the United States had imposed on China would not be rolled back even if an agreement was struck by the deadline. The officials were also unsure about how they would even enforce the concessions that they were pressing China to make.

"The Trump-induced whiplash on China has left more questions than answers," said Rep. Lloyd Doggett, a Texas Democrat who serves on the House Ways and Means Committee. "One day, he's 'Tariff Man,' and the next, it's 'Let's Make a Deal.' Congress must get answers from this administration on what success looks like."

In a plenary hall at WTO headquarters on the shores of Lake Geneva this week, the global stresses were on view. The talks were closed to the public, but the United States and other countries made texts of their speeches available.

Under Mr. Shea, who also serves as the American permanent representative to the WTO, the United States has expressed its views in unvarnished language that has shocked other diplomats at times but is very much in line with Mr. Trump's view that America is getting a raw deal on global markets.

"For too long, the rules of global trade have been tilted against US workers and businesses," the United States government said in a report it submitted as part of the trade policy review.

Critics accuse the United States of trying to undermine rules of trade it largely wrote, creating a free-for-all that would undercut global growth.

Now, China looks to India as key market	**The Hindu** https://www.thehindu.com/todays-paper/tp-business/now-china-looks-to-india-as-key-market/article25793574.ece

Mumbai expo showcases China ware

As its trade war with the U.S. intensifies, China has started looking at India as a major market to sell its products and machinery. However, Indian companies want China to share its technology and even partner with them in its growth story rather than treating India purely as a market of its products.

Over 100 Chinese firms displayed their products and solutions at an exhibition in Mumbai this week. It was claimed to be one of the biggest exhibitions of Chinese products in India, indicating growing engagement of China with India.

“We [India and China] are in a better time today and increasing economic exchanges. We are not only bringing home appliances but also getting machinery products to India,” said Tang Guocai, Consul General of China in Mumbai.

To a question, Mr. Guocai said: “We are in a globalised world. There are different crisis in different regions in different times. As far India and China are concerned, it is a better time for cooperation.” On the issues of trade imbalance, he said: “ We are now seeing growing imports from India, mainly agriculture products, pharmaceuticals and manufacturing.

“More Chinese manufacturing companies coming to India. From a competitive background, the situation is changing. Both the leaderships of India and China are determined to bring the two countries closer.”

Focus on manufacturing

However, Vandan Shah, co-chairman, CII western region, said: “The Chinese firms have come here to expand their market but we should not be only focussing on buying. We should rather focus on how to manufacture these products by borrowing the newer technology, machinery and trends from China.”

“We don’t want to make the machinery. We actually want to sell those parts in the U.S. and Germany which the Chinese are already selling. So, we want to partner with such manufacturers as extra duties are now being levied on them. So let the Chinese become our marketing partners,” he said. He said the Chinese companies should now consider investing in Indian companies on a profit-sharing mode.

RBI caps outstanding ECBs at 6.5% of GDP	**The Hindu** https://www.thehindu.com/todays-paper/tp-business/rbi-caps-outstanding-ecbs-at-65-of-gdp/article25793567.ece

Sets rule-based dynamic limit

The Reserve Bank of India (RBI) on Thursday has announced a cap for funds raised via external commercial borrowing (ECB) at 6.5% of the country’s GDP.

Based on GDP figures for March 31, 2018, ‘the soft limit works out to $160 billion,’ the central bank said in a statement.

Outstanding stock

“It has been decided, in consultation with the Government of India, to have a rule-based dynamic limit for outstanding stock of external commercial borrowings (ECB) at 6.5% of GDP at current market prices,” the RBI said.

The outstanding stock of ECB as on September 30, 2018 was $126.29 billion.

ECBs refer to commercial loans in the form of bank loans, securitised instruments buyers' credit, suppliers' credit availed of from non-resident lenders with a minimum average maturity of three years.

Handloom fair begins in Kannur	**The Hindu** https://www.thehindu.com/todays-paper/tp-national/tp-kerala/handloom-fair-begins-in-kannur/article25794128.ece

Christmas and New Year handloom fair began here on Thursday under the aegis of the District Industries Centre and the Handloom Development Committee. Industries Minister E.P. Jayarajan inaugurated the fair. Thirty weavers' cooperative societies are participating in the fair. Kannur Mayor E.P. Latha presided. P.K. Sreemathy, MP, was the chief guest.

India's textiles sector needs 17 mn additional workforce by 2022: Govt	**Money Control** https://www.moneycontrol.com/news/business/economy/indias-textiles-sector-needs-17-mn-additional-workforce-by-2022-govt-3314211.html

The ministry said its strategy to boost exports involves diversification of markets, positioning India in value chain and promoting collaborative exports

The country's textiles sector, which currently employs over 45 million people, will require 17 million additional workforce by 2022, the government said on Thursday.

The textiles ministry said in the last four years, 8.58 lakh persons have been trained in partnership with 58 government and industry partners to meet the sector's need for a skilled workforce.

The ministry said its strategy to boost exports involves diversification of markets, positioning India in value chain and promoting collaborative exports.

Towards diversification of textiles exports, 12 markets in Vietnam, Indonesia, South Korea, Australia, Egypt, turkey, Saudi Arabia, Russia, Brazil, Chile, Columbia and Peru have been identified.

The ministry said it also plans to pursue strategic engagement with Bangladesh and Sri Lanka on the Fabric-Forward Policy.

Falling crude oil price to boost margins of synthetic textile manufacturers	Business Standard https://www.business-standard.com/article/economy-policy/falling-crude-oil-price-to-boost-margins-of-synthetic-textile-manufacturers-118122000973_1.html

Volatility in six months distorted business strategy, margins to improve post March quarter

Synthetic textile manufacturers are set to see their profit margins improve in the January–March quarter, due to a sharp fall in the price of crude oil, the key raw material used extensively to produce industrial inputs like man-made fibre, yarn, fabric and textiles.

Brent crude oil prices have risen by 22.5 per cent to $86 a barrel in October from the level of $66.72 a barrel in March. Brent has declined by 37 per cent from its peak to stabilise at this year's low of around $60 a barrel in December, resulting in huge volatility following political instability in Saudi Arabia and a cut in output from Opec members. Experts believe that the volatility has disrupted the business strategy of synthetic textile makers more than any other factor, including the ongoing working capital squeeze, resulting in weak financial performance across the sector the past few quarters. But the profit margins are set to begin improving from the later part of March 2019 quarter with its full reflection June quarter onwards.

"Crude oil prices are back to the level from where they started moving up a few months ago. In between, they went up by around 35 per cent, which damaged the industry in terms of business strategy. With crude prices at normal levels, things are gradually stabilising. High crude oil prices would have hurt the synthetic textile business badly. At current prices, however, things have started stabilising with its impact in January–March quarter onwards," said O P Lohia, Managing Director, Indo Rama Synthetics (India) Ltd.

Volatility in crude has impacted the financial performance of synthetic textile manufacturers in the last two quarters of the current financial year. Indo Rama, for example, posted a net loss of Rs 326.20 million on a total income of Rs 3,955.9 million in the September quarter. The company has been incurring losses for the several quarters in a row.

Similarly, JBF Industries posted losses of Rs 495.7 million and Rs 4,323.5 million in the June and September quarters, respectively. "Crude oil prices have been increasing consistently over the last few months. In addition, the rupee has been depreciating rather rapidly. Both these factors pose a double whammy for fuel inflation in India," said Madan Sabnavis, Chief Economist, Care Ratings.

While the increase in crude prices tends to affect fuel prices in India, rupee depreciation against the dollar also exerts pressure on these prices. Thus, there is a two-fold impact on domestic fuel prices.

Crude oil is the major raw material for synthetic textile manufacturing. Prices of man-made fibre (MMF), yarn and fabric move in tandem with the movement in crude prices. While upsurge in crude impacts synthetic textile inputs with a lag of a month or even more, its decline affects demands as consumers await a price cut of final products.

Textile exports rises to US$ 35.67 billion in 2017-18	Business Standard https://www.business-standard.com/article/news-cm/textile-exports-rises-to-us-35-67-billion-in-2017-18-118122000769_1.html

Textiles expects target fixed at US$ 47.29 billion in 2018-19

The exports of textiles item has increased to US$ 35.67 billion in 2017-18. Government has fixed export targets for textile and apparel including handicrafts for 2018-19 at US$ 47.29 billion.

Government is aware about global demand for textiles and apparel from India. To enhance exports of textile and apparel products, Government has announced the Special Package for garments and made-ups sectors. The package offers enhanced duty drawback coverage under Rebate of State Levies (RoSL) Scheme, labour law reforms, additional incentives under ATUFS, and relaxation of Section 80JJAA of Income Tax Act.

The rates under Merchandise Exports from India Scheme (MEIS) have been enhanced from 2% to 4% for apparel, 5% to 7% for made-ups, handloom and handicrafts w.e.f. 1 November 2017.

Products like fibre, yarn and fabric in the textile value chain are being strengthened and made competitive through various schemes, like Powertex for fabric segment, Amended Technology Upgradation Fund Scheme (ATUFS) for all segments except spinning and Scheme for Integrated Textile Parks (SITP) for all segments.

Assistance is provided to exporters under Market Access Initiative (MAI) Scheme. Further, Government has enhanced interest equalization rate for pre and post shipment credit for certain textile sectors from 3% to 5% from 2 November 2018.

Indian firms seek opportunities to invest in Vietnam's industry	English Vietnam https://english.vov.vn/economy/indian-firms-seek-opportunities-to-invest-in-vietnams-industry-389317.vov

A delegation from the Confederation of Indian Industry in Tiruppur (CII Tiruppur) visited Ho Chi Minh City on December 19 and 20, looking for investment opportunities and meeting Vietnamese enterprises.

The delegation also visited garment-textile plants in the Mekong Delta city of Can Tho and the southern province of Dong Nai.

India is one of the major material suppliers of Vietnam's garment and textile sector, but trade value between the two sides remains modest. Therefore, Indian firms are working to promote trade activities in the Vietnamese market.

In November, the Indian Consulate General in Ho Chi Minh City coordinated with the Vietnam Cotton and Spinning Association (VCOSA) to hold a meeting between Vietnamese firms and their Indian counterparts joining the 18th International Textile and Garment Industry Exhibition.

The two sides have defined garment and textiles as a prioritised sector in bilateral ties.

Indian General Consul in Ho Chi Minh City K Srikar Reddy cited Indian statistics showing that in the 2017-2018 fiscal year, India's global export of garment and textile hit US$36.73 billion, including US$555 million to Vietnam, up 42% over the previous fiscal year.

From April to August 2018 of the 2018-2019 fiscal year, India earned US$257 million from selling garment and textile products to Vietnam, up 59% over the same period a year earlier.

Although trade of garment and textile between the two countries has enjoyed impressive growth in the past two years, the two sides have much potential to continue boosting partnership in the area.

The Vietnamese garment and textile sector imports cotton, accessories and fabric for production.

Under the free trade agreement between India and the ASEAN, most cotton and woven cotton fabric and knitted fabric imported from India will enjoy tax exemption from January 1, 2019, making India a competitive supplier of garment and textile materials and machines for Vietnam.

According to the General Statistics Office, in 2017, trade between Vietnam and India hit US$7.62 billion, with Vietnam's exports at US$3.75 billion.

In the first ten months of 2018, bilateral trade hit US$9.18 billion, up 47% over the same period in 2017, bringing the countries closer to the target of US$15 billion in two-way trade in 2020.

Govt introduces bill to amend Companies Act	**Live Mint** https://www.livemint.com/Politics/BsDzewmRAy1HliwmfDE0FL/Govt-introduces-bill-to-amend-Companies-Act.html

The government Thursday introduced a bill to amend the Companies Act to further improve the ease of doing business and ensure better compliance levels.

The bill would replace the Companies (Amendment) Ordinance, 2018 that was promulgated in November.

The amendments will help reduce the burden on special courts and bring down applicable penalties for small companies, among others.

The bill will amend 16 sections of the Act "so as to modify the punishment as provided in the said sections from fine to monetary penalties to lessen the burden upon the Special Courts," Corporate Affairs Minister Arun Jaitleysaid in the Statement of Objects and Reasons.

Apart from enhancing the jurisdiction of Regional Director for compounding offences, the bill would provide for empowering the central government to allow certain companies to have a different financial year instead of being determined by the National Company Law Tribunal.

Last month, the government said the ordinance amending the Companies Act, 2013, was promulgated with twin objectives of "promotion of ease of doing business along with better corporate compliance".

The amendments through the ordinance were effected on the basis of recommendations made by a government-appointed panel that reviewed the offences under the Act.

With the latest amendments, jurisdiction of 16 types of corporate offences would be shifted from the special courts to in-house adjudication.

This is "expected to reduce the case load of special courts by over 60%, thereby enabling them to concentrate on serious corporate offences. With this amendment, the scope of in-house adjudication has gone up from 18 sections at present to 34 sections of the Act," the ministry said last month.

Panel to review issues start-ups face on tax	**The Hindu** https://www.thehindu.com/business/Industry/panel-to-review-issues-start-ups-face-on-tax/article25791785.ece

Notification to be issued shortly

The government has decided to set up an expert committee to look into all the taxation issues being faced by start-ups and angel investors, the CBDT said on Thursday.

It added that "no coercive action or measures to recover the demands of completed assessment under income tax would be taken" against such firms.

This was decided at a high-level meeting of Department of Revenue Secretary Ajay Bhushan Pandey, Department of Industrial Policy and Promotion (DIPP) Secretary Ramesh Abhishek and Central Board of Direct Taxes (CBDT) Chairman Sushil Chandra.

"It has been decided that the issue of recognition of these start-ups, including the issue of premium among others, will be decided on the basis of recommendations of a committee of eminent experts drawn from institutions like IITs, IIMs which will soon be set up by the DIPP on grant of tax exemptions and other connected matters," the CBDT said in a statement.

The committee of experts, it said, will make recommendations on individual cases of recognised start-ups. "In this regard, a notification by the DIPP will be issued shortly," it said.

The CBDT said it is "committed to promotion of start-ups in India and it recognises that start-ups are going to bring lot of innovation to the country and therefore, have to be supported in every possible manner."

CM reviews activities of textiles, commerce and industries dept	Indian Free Press http://www.ifp.co.in/page/items/54697/cm-reviews-activities-of-textiles-commerce-and-industries-dept

As part of the series of review meetings planned for different government departments, chief minister N. Biren Singh chaired a joint review meeting of the Directorate of Trade Commerce and Industries and the Directorate of Handloom and Textiles at Chief Minister's Secretariat today.

Principal Secretary (Textiles, Commerce and Industries) P. Vaiphei presented a detailed account of varied activities, achievements and issues of the two directorates through a Power Point presentation at the meeting

Vaiphei said that the State will host the World Bamboo Workshop, 2019 under the slogan, 'Breaking the challenges of bamboo for a better future' from February 4 to 8 next year. Chief Ministers of all the North East States would grace the opening function of the workshop, he said.

Efforts are being made to revive Jiribam Tea Estate having a total area of 1100 acres. Manipur Industrial Development Corporation Limited (MANIDCO) has submitted an estimate of Rs. 194.10 lakh for boundary fencing of the estate to check illegal encroachment.

The Chief Minister instructed the authority concerned to take up immediate steps for boundary fencing and eviction of illegal encroachments. Advisor to chief minister Rajat Sethi, who was also present at the meeting, suggested the officials to explore ways to rope in private companies as well in reviving the tea estate.

N. Biren Singh asked the officials of the Department to present a detailed presentation of the present status of the government's plan on the revival of Loitang Khunou Spinning Mill in the next meeting. He also instructed them to come up with the total project cost, number of jobs to be created by the project, types of machinaries to be used etc.

He also directed to convene a meeting on December 29 to discuss the present scenario of Indo-Myanmar trade at Moreh. The meeting will be chaired by the Chief Minister, and high ranking officials from Trade Commerce and Industries, Finance and representatives from Border Trade and Chamber of Commerce, Moreh will take part.

Continuing his presentation, P. Vaiphei informed that the State Government has received approval in principle from the Government of India regarding seeking loan from NABARD for the construction of warehouses in Bishnupur, Churachandpur, Ukhrul, Imphal East and Tamenglong districts. The total project cost is Rs. 3851.13 lakh.

The Department has also submitted a proposal for the development of salt springs in the State at an estimated cost of Rs. 12,435.33 lakh. In addition to the existing industrial estates located at Takyelpat (Imphal East District), Tera Urak (Bishnupur District) and Kuraopokpi (Thoubal District), efforts are being made to open industrial estates in all the remaining districts as well with the funds from Union Ministry of Micro, Small and Medium Enterprises (MSME) and North Eastern Council (NEC).

Phase-I of the Power Loom Estate developed at Lamboikhongnangkhong having 100 power looms is ready for inauguration. On the other hand, Ministry of Textiles has approved in principle to develop Handloom Park at Thongju in Imphal East District at Rs.9.04 crore. The Chief Minister directed the officials concerned to take up necessary steps to use garments manufactured in the State only in stitching of school uniform from the next academic session.

Zero defect, Zero Effect - Mantra of Textiles Ministry	**Pib.nic.in** http://pib.nic.in/PressReleaseIframePage.aspx?PRID=1556841

Textiles industry in India is one of the largest in the world with a huge raw material base and manufacturing strength across all value chains.The strength of India's textiles industry lies both in the hand woven sector as well as mill sector. Traditional sectors like handloom, handicrafts and small scale power loom are the biggest source of employment for millions of people in rural and semi-urban areas. This industry contributes to 7% of industrial output in value terms, 2% of India's GDP and 15% of the COUNTRY'S export earnings.

"Today's competitive world demands quick- time response in shaping initiatives to address the challenges of growth and converting them into opportunities. To this end, the Ministry of Textiles has been working relentlessly to ensure a conducive policy environment, facilitating enabling editions for the industry and private entrepreneurs to set up units through its various policy initiatives and schemes."

SILK INDUSTRY

Integrated Scheme for Development of Silk Industry:The Cabinet Committee on Economic Affairs approvedthe Central Sector Scheme "Integrated Scheme for Development of Silk Industry" for three years from 2017-18 to 2019-20. The Scheme has four components:

Research & Development (R&D), training, transfer of technology and IT initiatives

Seed organizations and farmers' extension centres

Coordination and market development for seed, yarn and silk products and

Quality Certification System (QCS) by creating amongst others a chain of silk testing facilities, farm based & post-cocoon technology up-gradation, and export brand promotion.

The story of silk begins with cocoons

The scheme with atotal allocation of Rs.2161.68 crore is expected to increase the silk production from the level of 30348 MTs during 2016-17 to 38500 MTs by the end of 2019-20 with the following interventions:

• Production of import substitute bivoltine silk to the tune of 8500 MTs per annum by 2020.

• R&D to improve productivity from the present level of 100 Kgs to 111 kgs of silk per hectare of plantation by the end of 2019-20.

• Large scale propagation of improved reeling machines (automatic reeling machine for mulberry, improved reeling and spinning machineries and Buniyaad reeling machines for Vanya silk) under Make in India programme to produce quality silk to cater to the market demand.

The scheme will promote women empowerment and livelihood opportunities for SC and ST and other weaker sections of the society. It will help to increase productive employment from 85 lakhs to 1 crore persons by 2020.The scheme aims to achieve self-sufficiency in silk production by 2022. To achieve this, production of high grade silk in India will reach 20,650 MTs by 2022 from the current level of 11,326 MTs thereby reducing imports to Zero. It is proposed to increase 4A grade silk from the current level of 15% to 25 % of mulberry production by 2020. The implementation strategy is clearly based on convergence at the State level with the schemes of other Ministers like MGNREGS of Rural Development, RKVY & PMKSY of Ministry of Agriculture, for maximizing benefits to the sericulturists. The R&D projects pertaining to disease resistant silkworm, host plant improvements, productivity enhancing tools and implements for reeling and waving will be done in cooperation with Ministries of Science and Technology, Agriculture and Human Resource Development (HRD).

New Races of Silk Worm Seed:

Central Silk Board (CSB) has notified newly developed races of silkworm seed of mulberry and Vanya silk for increasing the productivity of cocoons and to increase the income of the farmers engaged in sericulture. Silk worm breeds for specific agro-climatic condition are essential for increasing the productivity of cocoons.

Tropical Tasar Silkworm (BDR-10)race developed have 21% more productivity than the traditional Daba breed. Farmers can get upto 52 kg cocoons per 100 disease free layings (dfls). Thissilkworm breed will help the tribal farmers of Jharkhand, Chattishgarh, Odisha, West Bengal, Andhra Pradesh, Maharastra, Madhya Pradesh, Bihar, Telangana and Uttar Pradesh.

Multivoltine x Bivoltine Mulberry hybrid(PM x FC2)race of silkworm can produce 60 kg per 100 Dfls and the race is better than earlier race PM x CSR. Due to high quality silk and significant egg recovery, this race is suitable for the farmers of Karnataka, Andhra Pradesh, Tamil Nadu, Telangana and Maharashtra.

Erisilkworm (C2)race can produce 247 numbers of Eri cocoons per 100 Dfls. This is suitable for the farmers in Arunachal Pradesh, Assam, Bihar, Maharastra, Madhya Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Sikkim, Uttar Pradesh, Uttarakhand and West Bengal.

Central Silk Board under the Ministry of Textiles is engaged in applied research for developing new breeds of races of silkworm seed and conducts extensive field trial before commercial use in the field.

INTEGRATED SKILL DEVELOPMENT SCHEME (ISDS):

'Samarth'- Scheme for Capacity Building in Textile Sector:

Union Minister of Textiles, SmritiZubinIrani, chaired a meeting of stakeholders on Samarth – Scheme for Capacity

Building in Textile Sector under the Skill India Mission in May, 2018 in New Delhi, to familiarize the stakeholders about the scheme and its guidelines. The broad objective of the new scheme is to skill the youth for gainful and sustainable employment in the textiles sector covering the entire value chain of textiles, excluding spinning and weaving.

The concerns of the stakeholders and challenges faced by them during implementation of the previous scheme were discussed in the meeting. Feedback from the concerned stakeholders on how the scheme can contribute and benefit the textiles industry and boost skill development was also discussed.

The guidelines of the scheme were released on 23rd of April 2018. The scheme was approved by the Cabinet Committee on Economic Affairs on 20th of December 2017 with an outlay of Rs. 1300 crore. It is intended to provide demand driven, placement oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes to incentivize and supplement the efforts of the industry in creating jobs in the textiles sector. The scheme targets to train 10 lakh persons (9 lakh in organised and 1 lakh in traditional sector) over a period of 3 years (2017-20).

The Integrated Skill Development Scheme (ISDS) was introduced by the Ministry of Textiles as a pilot scheme in the last two years of XI Five Year Plan (FYP) with an outlay of Rs. 272 crore, including Rs. 229 crore as Government contribution with a physical target to train 2.56 lakh persons. The scheme was scaled up as main phase during the XIIth FYP with an allocation of Rs. 1,900 crore to train 15 lakh persons. The ISDS addresses the critical gap of skilled manpower in textile industry through industry-oriented training programmes. It is implemented through three components where major thrust is given to PPP mode where a partnership has been developed with the industry in establishing a demand-driven skilling ecosystem. The scheme has been largely aligned with the common norms of Ministry of Skill Development & Entrepreneurship.

Skill Development in Textiles sector

Total 11,14,545 persons were trained under the scheme mainly in apparel and garmenting (86%) with total expenditure of Rs. 935.17 crore, of which 8,43,082 persons (75.64%) were given employment in the textile sector.

Out of the persons trained in last 4 years, more than 70% were women, 22.69% were from SC category and 7.22% were from ST Category.

Making a Difference Through Skilling:

Textiles sectors employs over 45 million people.

Additional requirement of about 17 million by the year 2022.

In the last four years 8.58 lakh persons trained in partnership with 58 Government and industry partners.

The Samarth guidelines have been issued on 23.04.2018 and RFP for empanelment of Implementing Partners has been floated on 21.05.2018.

HANDLOOM SECTOR

A weaver working at her loom

Block Level Clusters (BLCs):

Block Level Clusters (BLCs) are one of the components of National Handloom Development Programme (NHDP)/Comprehensive Handloom Cluster Development Scheme (CHCDS). 412 BLCs covering 3,18,347 beneficiaries have been sanctioned since July, 2015 with project cost of Rs. 557.59 crore.Rs. 212.77 crore has been released as Central share. Financial assistance is provided upto Rs.2.00 crore per cluster for various interventions like skill up-gradation, HathkarghaSamvardhanSahayata, product and design development, construction of workshed, lighting unit and setting up of Common Facility Centre (CFC).Besides, financial assistance upto Rs.50.00 lakh is available for setting up of one dye house at district level.

Weaver Mudra Scheme:

Under the Weaver Mudra Scheme, credit at concessional interest rate of 6% is being provided to the handloom weavers. Margin money assistance to a maximum of Rs. 10,000 per weaver and credit guarantee for a period of 3 years is also provided. 81,615 MUDRA loans worth Rs. 443.52 crore have been sanctioned under the scheme. MUDRA platform adopted in September, 2016 for providing concessional credit.Procedure for loan application on MUDRA platform is user friendly for withdrawal of loan amount using RuPay card through ATMs.

Handloom Weaver Mudra Portal:

This portal isoperation from 1stof April, 2017, in association with Punjab National Bank to cut down delays in disbursement of funds for financial assistance. Bank claims worth Rs. 25 crore have been settled through this portal. Participating banks submit the claim for margin money, interest subvention and credit guarantee fee on the portal and the margin money is transferred directly to loan account of the weaver and interest subvention and credit guarantee fee is transferred to banks in electronic mode.

India Handloom Brand:

Sales of handloom products to the tune of Rs.582.93 crore has been generated as on 31.10.2018. 1185 registrations have been issued under 122 product categories. The India Handloom Brand was launched by the Prime Minister on First National Handloom Day on 7th August 2015 for branding of high quality handloom products, authentic designs with zero defect and zero effect on environment.

BunkarMitra:

A **toll free helpline no. 18002089988** was set up to deal with queries of handloom weavers. 22,033 queries of handloom weavers concerning wide range of issues like technical, supply of raw material, quality control, credit facility, access to market linkages were resolved upto 30.11.2018 through theBunkarMitra Helpline. The Helpline, set upin April 2017, provides single point contact to handloom weavers across the country for addressing their professional queries 7 days a week. Services are available through toll-free number in seven languages: Hindi, English, Tamil, Telugu, Bengali, Assamese and Kannada.

Common Service Centres (CSCs):

MoU was signed on 7th August 2017 with M/s CSC e- Governance Services India Limited to set up Common Service Centres (CSCs) to provide IT-enabled services, including e-commerce. Each CSC is set up @Rs. 3,78,400/- in handloom pockets, clusters and 28 Weavers' Service Centres (WSCs). Of 162 CSCs sanctioned so far, 129 CSCs are functional.

Handlooms Promotion through e-Marketing:

To promote e-marketing of handloom products, 21 e-commerce entities have been engaged for on – line marketing of handloom products. So far, total sales of Rs. 21.25 crores have been generated. To empower the weavers, and their families for career progression, memorandums of Understanding signed with Indira Gandhi National Open University (IGNOU) and National Institute of Open Schooling (NIOS). Ministry is providing reimbursement of 75% of the fee in NIOS/IGNOU courses for SC, ST, BPL and women learners.

POWERLOOM SECTOR

A comprehensive scheme for power loom sector development'PowerTex' India with an outlay of Rs.487.07 crore was launched all over the country in in January 2017. The component wise achievements till November2018 are:

In-situ Upgradation of Plain Powerlooms: 197775 looms were upgraded and Rs.248.77 crores released.

Group Workshed Scheme (GWS):1034 projects approved and Rs.85.64 crores released.

Yarn Bank Scheme:73 Yarn Bank projects approved and Rs.23.263 crores released.

Common Facility Centre (CFC):20 projects have been approved and Rs.3.944 crores released.

Facilitation, IT, Awareness, Market Development and Publicity for PowerLoom Schemes: Rs.15.779 crores released.

Tex Venture Capital Fund: Rs.9.34 crore has been disbursed by SVCL to four companies so far.

Grant-in-Aid to Powerloom Service Centres: Rs.22.99 crores released.

Modernisation of Powerloom Service Centres: Rs.3.39 crores released.

A dedicated website www.ipowertexindia.gov.inhas been launched for applying various scheme under PowerTex India. Online portal and mobile app operational from 1.12.2017.Beneficiary can track the status online on Mobile app.

Maharashtra govt approves changes in textile policy	Business Standard https://www.business-standard.com/article/pti-stories/maharashtra-govt-approves-changes-in-textile-policy-118122001291_1.html

The Maharashtra government Thursday effected changes in its textile policy which is expected to accelerate growth and expansion of the key industry.

The changes were approved by the state Cabinet at its meeting here.

State Cooperative, Marketing and Textile Minister Subhash Deshmukh said according to the changes, the order for the purchase of machinery has been given the option of taking long-term loan sanctioned or self-financed projects in the textile Policy 2011-17 or in the Textile Policy 2018-23.

"Maharashtra's textile industry policy for year 2018- 23 has been announced considering the importance of textile industry.

"In this regard, directives have been issued to improve the apparel sector by banks and textile companies. Accordingly, it was decided to make four such significant improvements in this policy," Deshmukh said.

He said if the existing textile project set up 10 per cent or more machinery (the book value of machinery) than the previous financial year, their investment will be considered as an extension and diversification or modernisation.

This extension or diversification, modernisation will be forward or backward (forward backwards), the textile minister added.

Gujarat is the best place for startups: DIPP survey	Live Mint https://www.livemint.com/Politics/9YhAvFNKg3wJySkwXXcynI/Gujarat-is-the-best-place-for-startups.html

Gujarat topped the first-ever startup ranking of states by the Department of Industrial Policy and Promotion, ahead of states such as Karnataka, known for their startup culture. A total of 27 states and three union territories participated in the exercise. The DIPP consulted stakeholders of the startup ecosystem and came up with seven key reform areas as the basis of the ranking. An online portal was launched to help states submit their initiatives across the reform areas.

The entire exercise was conducted in essence for capacity development and to further the spirit of cooperative federalism. Awareness workshops in all states, knowledge workshops in leading incubators, pairing of states for intensive mentoring, international exposure visits to the US and Israel and intensive engagement between states with the Startup India team helped many states initiate effective measures to support startups," a DIPP statement said.

The "top performers" include Karnataka, Kerala, Odisha and Rajasthan, while states such as Andhra Pradesh, Bihar, Chhattisgarh, Madhya Pradesh and Telangana were put in the “leaders” category.

States identified as “aspiring leaders” include Haryana, Himachal Pradesh, Jharkhand, Uttar Pradesh and West Bengal while “emerging states” category includes Assam, Delhi, Goa, Jammu and Kashmir, Maharashtra, Punjab, Tamil Nadu and Uttarakhand.

Chandigarh, Manipur, Mizoram, Nagaland, Puducherry, Sikkim and Tripura are at the bottom of the rankings under the “beginners” category.

India, Not China, Is Now Central To The Future Of The BRICS	**Forbes.com** https://www.forbes.com/sites/douglasbulloch/2017/09/20/india-not-china-is-now-central-to-the-future-of-the-brics/#2343e8715d1e

The recent BRICS meeting in Xiamen formed the setting for what appeared to be a rapprochement between its two key members, India and China. It was preceded by a rather sudden diplomatic resolution to the recent Doklam (Donglang) crisis which saw Indian and Chinese troops step back from possible confrontation. This was widely viewed to have been agreed at the initiative of the Chinese, eager to secure the attendance of Narendra Modi at the immediately following BRICS meeting.

Although the BRICS concept is long past its pomp, it is clear that China still values it as a diplomatic forum, either for what is discussed and agreed while it takes place, or for the appearance that emerges of the Chinese engaged in a multilateral forum in which they take centre stage. Indeed, China has long been the real engine behind the BRICS, given that both Brazil and Russia (B and R respectively) were dependent on the China driven commodity boom and South Africa (the S) is there to make up numbers. The real quandary, however, was always India.

Without India, the "BRCS" would be harder to pronounce but perhaps a little easier to understand. Conceived by Goldman Sachs as a Powerpoint acronym to describe high growth emerging markets, there was always something slightly ad hoc about the arrangement, a useful thumb sketch perhaps, shorthand for time-poor, knowledge-light bankers and investment managers to add a patina of granularity to their boom dependent punts. In reality an almost endless, debt fuelled Chinese investment cascade fuelled what many mistook for a commodity super-cycle that flattered Russia and Brazil, and made India seem like the tortoise to China's hare.

All about the growth

The key problem with the BRICS was always that there is little that unites them all aside from a once shared propensity for high rates of growth. This is fine if all you seek are outlets for investment capital, but rather begs an assessment of–in each case–what that growth implies. A recent explainer by Michael Pettis makes the obvious, but seemingly not widely understood, point that 'GDP does not distinguish between activity that increases a country's wealth and activity that doesn't'. And in making this point he obliges readers to move beyond simplistic "GDPism" towards making judgements about the quality of investments in each case. Rising GDP, in other words, needn't always been good news. It might in fact be disguising some very bad news indeed.

Here also is where China and India diverge. For all the fanfare laid on for the BRICS in Xiamen, the association has always been fundamentally driven by the development trajectories of those two Asian supergiants; China and India. Brazil and Russia, being primarily commodity suppliers, ride the international consequences of growth in those other two giants, but aside from that have little to contribute. In recent years China has driven the global economy with its rapid investment and export focussed growth while India has grown more slowly and organically.

The upshot is that China has huge amounts of infrastructure and an economy that must now service enormous amounts of debt. The staggering GDP growth figures they have achieved over many years have yet to register the consequences of all that investment and if much of it generates little or no return, the consequent write-downs will weigh down on China's GDP figures for years to come. Some estimate coming write-downs in excess of 35% of GDP, which according to Pettis' formula would mean China's economy is actually much smaller than its reported GDP.

India, on the other hand, registered a growth rate higher than China last year, and while India's economy is much smaller than China's right now, in contrast to China it has a great deal of catch up growth ahead of it, and–again unlike China–has a government with an appetite for structural reform as a key driver for future growth, rather than debt-fuelled investment and exports.

What would Goldman Sachs say now?

Setting aside China's effort to build the BRICS into a cooperative forum, the same formula that generated the BRICS concept would produce a wildly different set of results today. China, with its enormous debts, closed capital markets, asset bubbles and increasing communist party interference in the economy would look like an entirely different kind of investment prospect than India, with its greater growth potential, favorable demographics, open and pluralist society and reform minded government. Indeed, apart from both being large economies it's hard to imagine anyone putting the two economies in the same category anymore.

All of which provides a useful contrast between the original concept of the BRICS as a meaningful investment destination premised largely on impressive growth rates, and its more recent emergence as a forum for the projection of influence. Because if the BRICS were originally premised on GDP growth, then as long China's GDP growth becomes increasingly dependent on self-defeating credit expansion, India looks the better bet. Furthermore, given the emphasis China placed on securing the attendance of Narendra Modi at Xiamen, it appears China might already understand this quite well.

China's foreign trade achieves 'miracle growth' over past 40 years	Ecns.com http://www.ecns.cn/business/2018-12-20/detail-ifzaxhck8715254.shtml

In the past 40 years of reform and opening up, China's foreign trade has increased 198 times to become one of the most important forces driving growth in world trade, said Zou Zhiwu, deputy head of the General Administration of Customs on Thursday.

Every five minutes some 290 million yuan ($42 million) worth of goods pass through China's customs while four international cargo ships leave or arrive and nine international flights arrive or depart from the country, all of these being signs of booming foreign trade.

China's foreign trade has experienced "miracle growth" over the past 40 years as annual growth averaged 14.5 percent while the proportion in the world trade improved from less than 0.8 percent to over 11 percent today.

China's export market share of 1,400 products ranks first in the world, providing nearly 200 million job opportunities directly or indirectly, it was added.

Quality is also improving as China's foreign trade expands in size, said Zou. Mechanical and electrical products replaced textiles and clothing in 1995 to become the top major category in export commodities, indicating China's transformation from exporting labor-intensive to capital-intensive products.

At the same time, private companies have also risen to become major players in China's foreign trade with an annual growth rate of 12.8 percent from 2008 to 2017.

Promoting growth of garment and textile exports	Nhan Dan http://en.nhandan.org.vn/business/item/6978702-promoting-growth-of-garment-and-textile-exports.html

NDO - Vietnam's garment and textile sector posted a total export revenue of approximately US$36.1 billion in 2018, an increase of US$2 billion over the yearly estimate despite increasingly fierce competition and geopolitical fluctuations in the world, particularly rising trade protectionism.

The result demonstrates the ceaseless efforts of enterprises in seeking and expanding markets, applying advanced technology in enhancing quality of their products, and improving their competitiveness.

Stable sources of orders

The number of orders won by Vietnamese garment companies is abundant, creating stable job and income for labourers. According to Chairman of the Board of Directors of Hung Yen Garment Corporation (Hugaco) Nguyen Xuan Duong, Hugaco reported an export revenue of around US$310 million in 2018, up 8% over the yearly estimate in spite of tough competition from Bangladesh, Cambodia, Indonesia and India.

Duong noted that Hugaco's subsidiaries have also won bulk orders to export products by the end of April and even by the end of June 2019. However, he expressed his worry about the trade war between the US and China which may affect the Vietnam's garment and textile industry.

As one of the largest garment firms in the southern province of Dong Nai, Dong Nai Garment Corporation (Donagamex) posted a growth rate of over 10% in 2018 and an export revenue of US$70 million. According to Donagamex General Director Bui The Kich, the company carried out a number of solutions to maintain established markets and expand into new ones, including investing in modern technology to increase productivity and ensure the competitiveness.

Kich said that Donagamex received orders to be completed by the end of the second quarter of 2019, noting that, with positive signs from the world market and the Vietnam's participation in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the garment and textile sector will not worry about order shortage in 2019.

Executive Director of the Vietnam National Textile and Garment Group (Vinatex) Cao Huu Hieu affirmed that the export revenue of Vietnam's garment and textile industry was estimated at US$36.1 billion in 2018, up 16.1% over 2017. A large number of garment companies have received orders for the end of the second quarter of 2019 and the entire 2019, Hieu noted.

Vietnam has been one of the leading garment and textile exporters to the US market for many years and Vietnam is the second choice for US apparel importers, after China. Meanwhile, Vietnam has yet to be able to compete with other rivals in the EU market because other competitors, such as Bangladesh and Cambodia, are offered tariff incentives without meeting any conditions of origin. If Vietnam can take advantage of the EU-Vietnam Free Trade Agreement (EVFTA) in the future, it will be able to gradually penetrate into the EU market.

Chairman of the Binh Duong Textiles Association Le Hong Phoa said that business situation of local garment enterprises in the province in 2018 is very optimistic and most of enterprises have fulfilled their production targets. The total export revenue of the garment and textile sector in the province reached US$2.65 billion, an increase of 16.8% compared to 2017. This is a good sign, showing that enterprises have grasped the opportunities and adapted well to the changes of the market economy. Notably, the number of apparel importers from the US and the Republic of Korea (RoK) placing orders to Vietnam has sharply increased recently.

Utilising opportunities

Vinatex Executive Director Cao Huu Hieu affirmed that when participating in CPTPP, Vietnam's garment and textile sector will have opportunities to open its market and gain access to non-traditional textile and garment markets such as Canada and Australia.

Canada's textile and garment import turnover reached US$13.86 billion in 2017, including US$814 million worth of imports from Vietnam, accounting for 5.9% of the total Canadian market share. Vietnam's garment and textile export revenue to Australia posted at merely US$256 million in 2017, occupying only 2.8% of Australia's total imports of garments and textiles, Hieu noted.

Enterprises in this field are expect to boost their exports thanks to reduced tariffs and boosted investment in supporting industries.

However, garment and textile companies have to face a lot of challenges to enjoy tariff incentives, such as stricter requirements on the proof of origin, business declaration, and record and document archives, in addition to competitive pressure from foreign direct investment (FDI) enterprises.

To penetrate into textile markets of CPTPP member countries, Vinatex has focused on boosting trade promotion and relations with customers while avoiding unnecessary costs. At the same time, the company focuses on increasing its self-control in raw materials and accessories, Hieu stated.

According to Bui The Kich, to take advantage of CPTPP, businesses should continue to invest in automated equipment to replace labourers and increase productivity and product quality.

The CPTPP, without the US, has also opened up new markets for Vietnamese firms such as Canada, Australia and several South American countries which have great demand for garment and textile products, Kich said. However, to overcome the challenges and make good use of opportunities from CPTPP, state management agencies should continue in administrative reforms, reduce the specialised inspection of import and export goods, and cut transportation costs to support enterprises, Kich added.

Meanwhile, Nguyen Xuan Duong warned that the garment and textile growth rate in the coming years will not be as good as in 2018 due to increasing competition and trade protection trend, particularly from the US.

Hieu said that businesses need to step up their investment and production solutions to continue to gain market shares from their biggest rival China and other rivals in the established markets. Regarding non-traditional markets, companies needs to take advantage of the CPTPP to penetrate into these markets, including the two potential markets of Canada and Australia. In addition, they need to solve the existing problems of exchange rates, inventory, orders, and others.

Enterprises are advised to invest in modern technology, enhance corporate management, improve working conditions, increase labour productivity and product quality while ensuring delivery time and prices of products to boost their competitiveness in the market. In addition, the State should develop mechanisms of support for enterprises in the areas of finance, tax and land and work out specific measures to encourage the development of supporting industries. Authorities also need to develop raw-material areas to serve the garment and textile industry as well as continuing in administrative reforms to facilitate enterprises in this area.