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NEWS CLIPPINGS –21-02-2019

Suresh Prabhu interacts with textile trade & export bodies	**Fibre 2 Fashion** https://www.fibre2fashion.com/news/textile-news/suresh-prabhu-interacts-with-textile-trade-export-bodies-247522-newsdetails.htm

The Union minister of commerce & industry and civil aviation Suresh Prabhu recently interacted with the tradeassociations and export promotion organsations across India regarding the launch of Outreach Programme. As many as 92 trade bodies from across the country participated in the video conference, discussing the innovative and pro-industry initiative.

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) has welcomed the Outreach Programme launched by the minister recently.

"This innovative initiative of the government will be helpful for the stakeholders from all corners of India to participate and directly convey their concerns to the ministry. It will also be helpful to establish a dialogue between the government and the industry," SRTEPC chairman Narain Aggarwal stated.

During the interaction, the minister mentioned that the GST issues are taken up with the ministry of finance which is likely to come up with positive announcements for the exporters. "The government is giving special focus on the MSEMs by ways of introducing various encouraging schemes including the recent 100 Days Outreach Programme and introduction of up to Rs 1 crore loan within 59 minutes. The government is positive to consider export credit in the category of priority sector lending. Another initiative taken by the government is to improve the logistics of the country for facilitating greater trade.

The initiatives taken by the government such as Make in India, Ease of Investment, Government -e - Marketing (GeM), establishment of two mega convention centres, setting up of standards, start dialogue with EU for concluding India – EU FTA, working with WTO, research inputs from IIFT & IIM, etc. were also highlighted by the Minister. He informed about the improvement made by India to 77th position in the Ease of Doing Business ranking.

The Minister informed that exports have been growing for the last three years. He said start-up India is the largest programme in the world for new business ventures and the Government is making all efforts to remove unnecessary hurdles.

"The initiatives taken by the government will help in improving India's exports, specially from the small and medium units," concluded Aggarwal.

Four firms sign MoU with government to set up textile units in Ballari	The Hindu https://www.thehindu.com/todays-paper/tp-national/tp-karnataka/four-firms-sign-mou-with-government-to-set-up-textile-units-in-ballari/article26326459.ece

Ballari Textile Cluster is among nine clusters identified and proposed to be set up

Four entrepreneurs have signed Memorandum of Understanding (MoU) with the State government to set up textile units in Ballari at the recently launched China Model Industrial Development Clusters, an ambitious initiative of the State government.

Ballari Textile Cluster is among the nine clusters identified and proposed to be set up in the State. The idea is to generate employment for 1 lakh persons where these clusters are located. Ballari is known for its readymade leg wear, particularly jeans, across the country and also in the international market.

However, a sizeable number of garment units are in the unorganised sector with a sizeable workforce depending on it.

Royal Intex Apparels, Binary Apparel Park, and Gokaldal Exports, all from the State, and Shahi Exports from Faridabad in Haryana are the four firms to sign the MoU to invest around Rs. 25 crore, Rs. 100 crore, Rs. 80 crore, and Rs. 100 crore respectively.

The firms have promised to set up their units between 2019 and 2020.

Sources in the District Industries Department told The Hindu that these entrepreneurs have also submitted a wishlist to the government to allot suitable land required for setting up their units, allotment of land at low cost, exemption of stamp duty and conversion charges, and also wages subsidy to the tune of Rs. 3,000 per labourer per month, among other things.

“The wishlist is under the consideration of the government,” sources added.

However, some of the smaller units welcome the government’s initiative but also hoped that the scheme would promote Micro and Small and Medium Enterprises (MSME) in this sector.

GST Council extends returns filing deadline, no decision yet on realty	The Hindu https://www.thehindu.com/todays-paper/tp-business/gst-council-extends-returns-filing-deadline-no-decision-yet-on-realty/article26326026.ece

‘Several States wanted to voice their opinions in person’

The Goods and Services Tax Council on Wednesday decided to hold off on adjusting tax rates on the real estate sector as several States said that they would like to voice their opinions in person rather than through video conference.

The Council will take up the real estate issue again on Sunday. It, however, decided to extend the deadline for filing the GSTR-3B to the midnight of February 22 for most of the country, and February 28 for J&K. “There was a discussion on the Group of Ministers’ report on real estate,” Union Finance Minister Arun Jaitley said at a press conference following the video-conference meeting with most of the State finance ministers. “Most of the members felt that a decision on this should be taken today.”

“Some members felt that it should be discussed in a physical meeting and a decision should be taken on it after that,” Mr. Jaitley added. “Keeping the idea of consensus in mind, I adjourned the meeting to Sunday so that a physical meeting can be held and the issue can be discussed.”

Consensus building

“It is better to build consensus on key issues on the real estate sector as all previous meetings have achieved the same,” M.S. Mani, senior director at Deloitte India said.

“The real estate sector is critical for all States, hence unanimity in the decision-making process will assist in uniform implementation of the decisions of the GST Council.”

The original deadline for filing the summary GSTR-3B for the month of January was February 20. Given the volume of submissions received, the Council decided to extend this deadline by two days, Mr. Jaitley said.

EPFO plans to invest over Rs 4,000 crore in CPSE ETF, Bharat 22 from FY20	**Business Standard** https://www.business-standard.com/article/economy-policy/epfo-plans-to-invest-over-rs-4-000-crore-in-cpse-etf-bharat-22-from-fy20-119022001415_1.html

From August 2015 to December 2018, the EPFO invested Rs 63,224 crore in ETFs

The Employee Provident Fund Organization (EPFO), is likely to ramp up the corpus that it invests in the central government’s two exchange traded funds — the Central Public Sector Enterprises ETF (CPSE ETF) and Bharat 22 ETF, 2019-20 onwards. *Business Standard* has learnt that EPFO could invest more than Rs 4,000 crore in the two ETFs next year.

“We have had multiple discussions with EPFO. They have understood the concept. Their investment in the two ETFs next year should be around Rs 4,000 crore. In a year, EPFO invests around Rs 25,000 crore in ETFs,” said a finance ministry official.

From August 2015 to December 2018, the EPFO invested Rs 63,224 crore in ETFs. Of this, only Rs 5,507 crore, or 8.7 per cent, has been invested in CPSE ETF and Bharat 22 ETF. The rest have been invested in ETFs of SBI Mutual Fund and UTI Mutual Fund.

The return on investment for these period, for EPFO, has been 12 per cent from SBI Mutual Fund, 10.31 per cent from UTI Mutual Fund, 1.9 per cent from CPSE ETF, and 0.5 per cent from Bharat 22 ETF.

Government officials, however, defended these numbers and said the ETFs have been tracking the performance of

PSU indices. This isn't the first time the Centre has reached out to EPFO to invest in its ETFs.

Following a proposal from the Department of Investment and Public Asset Management (Dipam), the EPFO invested Rs 2,025 crore in the New Fund Offer of Bharat 22 ETF in November 2017. EPFO further invested Rs 250 crore in Bharat 22 ETF in June 2018, after receiving another request from Dipam to invest during the Further Fund Offer of Bharat 22 ETF.

The EPFO has also invested in the fund offers of CPSE ETF in two tranches — Rs 1,504 crore and Rs 303 crore in January 2017 and March 2017, respectively. However, before investing in CPSE ETFs, the central board of trustees of the EPFO had decided to negotiate with Dipam to "get incentives" on a part with retail investors. It had decided that 5-20 per cent of the total ETF investments made during a year would go towards CPSE ETFs.

The latest proposal from Dipam came in October 2018, when it asked the EPFO to invest in another fund offer of the CPSE ETF. This time, the EPFO invested Rs 1,425 crore towards it in November 2018. EPFO is permitted to invest 15 per cent of fresh accrual of its subscribers in ETFs.

The Bharat 22 ETF draws companies from six sectors. The constituents of the basket are Nalco, ONGC, Indian Oil, Bharat Petroleum, Coal India, State Bank of India, Axis Bank, Bank of Baroda, Rural Electrification Corp, Power Finance Corp, Indian Bank, ITC Ltd, Larsen & Toubro, Bharat Electricals, Engineers India, NBCC, Power Grid Corp, NTPC, Gail India, NHPC, NLC India, and SJVN. Though ITC, Axis Bank and Larsen & Toubro are not state-owned enterprises, the government owns shares in them through the Specified Undertaking of Unit Trust of India.

The CPSE ETF, after being reconstituted in 2018, constitutes NTPC, SJVN, NLC, NBCC, ONGC, Coal India, Indian Oil, Oil India, PFC, REC and Bharat Electronics.

EPFO investment in IL&FS has not turned bad: Audit committee member	**Business Standard** https://www.business-standard.com/article/economy-policy/epfo-investment-in-il-fs-has-not-turned-bad-audit-committee-member-119022001311_1.html

The Employees' Provident Fund Organisation (EPFO) has an exposure of Rs 570 crore towards crises-hit Infrastructure Leasing & Financial Services (IL&FS) and is receiving regular returns to date, a member of EPFO's finance and audit committee said on Wednesday.

The finance, investment and audit committee (FIAC) of the EPFO, which met on February 12, discussed the EPFO's exposure with the IL&FS, which might also come up for discussion in a meeting of its Central Board of Trustees (CBT) headed by Labour and Employment Minister Santosh Kumar Gangwar on Thursday.

"In the FIAC meeting, it was found that the EPFO's investment in the IL&FS was to the tune of Rs 570 crore and it was getting regular returns to date. We, however, didn't discuss the exposure of exempted firms running their own trusts in the IL&FS," EPFO's FIAC Member Prabhakar J Banasure told Business Standard.

The EPFO's CBT will decide the interest rate for subscribers for 2018-19 in its Thursday meeting. It is expected to give approval to a revised policy for unitisation of exchanged-traded fund investments by the EPFO subscribers.

The CBT meeting will take up draft amendments to create provisions in the Employees' Provident Fund scheme, 1952, "to enable the process of unitisation of the investments being made by the EPFO in equity."

According to the proposal, the EPFO will credit to the account of EPF members "the amount diverted from his contributions" as 'EPF units', so that they are able to track their investments made in exchange traded funds (ETFs).

It said the EPFO units will be unitised "at the applicable per unit net asset value (NAV)" as determined by the CBT. The EPF units will be credited to the accounts of subscribers at regular intervals, the proposal added.

However, the EPFO members may only be able to withdraw their ETF investments at the time of retirement. And in that case, "EPF units standing to the credit of member shall be redeemed at the last declared per unit NAV preceding the date of receipt of the claim from the claimant."

RCEP: India moves to narrow differences with China on tariff elimination in Bali Round	**Business Line** https://www.thehindubusinessline.com/economy/rcep-india-moves-to-narrow-differences-with-china-on-tariff-elimination-in-bali-round/article26323762.ece

Trade Ministers meeting in Cambodia next week to take forward decisions taken in Bali

Facing pressure to finalise its market opening commitments under the Regional Comprehensive Economic Partnership (RCEP) pact being negotiated between 16 countries, India will hold intense bilateral discussions with China on the sidelines of the ongoing round in Bali to narrow differences on import duty cuts and the implementation period that both seek under the trade pact.

"There is a lot of pressure on India to come to an agreement with China on its offer in goods as the round will immediately be followed by a trade ministers meet in Cambodia where RCEP members are keen to come to a resolution on market access. The Indonesian Minister, who is chairing the round, has already said that negotiations will be stretched through the night in Bali if needed," a goverment official told *BusinessLine*

RCEP, being negotiated between India, China, the 10-member ASEAN, Japan, South Korea, Australia and New Zealand, can potentially result in the largest free trade bloc in the world covering about 3.5 billion people and 30 per cent of the world's Gross Domestic Product. Apart from goods, the areas being negotiated include services, investments, intellectual property and government procurement.

India has been holding discussions with China since January to come to an understanding on the level of import duty cuts it can promise but differences remain. New Delhi has tried to argue that it will not be possible for it to offer tariff elimination on more that 72 per cent of the traded items as apart from agriculture there were a lot of sensitive industrial goods that needed some protection.

New Delhi's stance

"China is proving to be a very tough country to negotiate with as it is unwilling to settle for a figure which is substantially lower than what India is ready to offer to the ASEAN countries. This is not possible as India already has a free trade pact with the ASEAN under which it would anyway be eliminating duties on more than 80 per cent items. More over, the Indian industry faces stiffer competition from the Chinese," the official explained.

One option that is being discussed is that of a much longer implementation period for elimination of tariffs for China, but that may not be enough to give confidence to the Indian industry. "Longer implementation periods are fine but time flies, as we are already experiencing in terms of our free trade pacts with South Korea, Japan and the ASEAN. In just about a couple of years, we will have to eliminate duties of all items that we promised," the official added.

India will also have bilaterals with other members of the grouping such as Australia and Japan.

'Dye Natural' exhibition in Chennai to feature six textile brands`	**Times of India** https://timesofindia.indiatimes.com/city/chennai/dye-natural-exhibition-in-chennai-to-feature-six-textile-brands/articleshow/68077362.cms

The Crafts Council of India (CCI) will conduct 'Dye Natural', an exhibition celebrating the colours of nature, at Egmore here from February 21 to 23. It will feature six well-known brands, all of which use only natural dyes.

We have held natural dye exhibitions in the city twice before, the last one was held in 2017," says Jayasri Samyukta Iyer, executive committee member, The Crafts Council of India (CCI)

CCI has been at the forefront of the Natural Dye Revival movement and was involved in the organisation of the Unesco sponsored International Natural Dye Symposium held in Hyderabad in 2006. It held the Natural Dye Bazaar in Chennai in 2006.

"We have been promoting natural dyes since our organisation was established in 1964. You cannot separate natural dyes from crafts and textiles," says Iyer. "Some time ago, with synthetic dyes getting popular, there was a decline in the use of natural dyes, but now more and more people are going back to them."

That's because an increasing number of people are getting back to their roots and are mindful about the way they live, the way they cook and even the clothes they wear. "Natural dyes are environmentally friendly and are non-toxic and friendly to the skin," says Iyer. People are now getting more conscious about the need to promote traditional arts and crafts, and that in turn has given a boost to the revival of natural dyes, according to her.

'Dye Natural' will feature six well-known brands -- Dastkar Andhra, Dayalal Kudecha, MG Gramodyog Sewa Sansthan, Brij Ballabh, Abdul Rauf Khatri and Anuradha Kuli. The saris, stoles, fabrics and dupattas created by each artisan will carry the freshness of natural dyes and imprints of the master artisan's work.

Dayalal Kudecha, for instance, is known for his unique Bhujodi weaves, Abdul Rauf Khatri for the wondrous double-sided Ajrakh block prints, Dastkar Andhra will showcase a soft www.citiindia.com 6 CITI-NEWS LETTER palette of natural dye shades, MG Gramodyog Sewa Sansthan will have revival muslins and khadis, Anuradha Kuli's wondrous weaves are from the North-East and Brij Ballabh will have Sanganeris. What's more, each textile product has a story to tell of the great and diverse natural dye tradition of India.

Subdued demand, sufficient stocks weigh on cotton price despite lower output forecast	Money Control https://www.moneycontrol.com/news/business/commodities/subdued-demand-sufficient-stocks-weigh-on-cotton-price-despite-lower-output-forecast-3562501.html

Going forward, decline in cotton price may be limited due to government support price

Cotton futures slipped below Rs 20,000 per bale (one bale = 170 kg) for the first time this season on concern over demand for domestic cotton from the industrial buyers and textile mills. Prices are declining this season despite forecast of lower cotton production and higher exports figures for the first three months of cotton season started in October.

Earlier in the season, cotton hit an all-time high of Rs 24,280 on Multi Commodities Exchange (MCX) in August on expectations of improved export demand from China due to the ongoing trade war with the United States. Moreover, slow start to cotton sowing in Maharashtra and Gujarat and hike in Minimum Support Prices (MSP) too supported domestic cotton prices.

After four months into the new season, cotton futures are now hovering around Rs 20,100, down more than 14 percent compared to prices at the beginning of the harvest season in October. In October, cotton prices were around Rs 23,300.

Cotton prices on Intercontinental Exchange (ICE) plunged to 15-month low this month due to bearish February USDA report, higher US sowing projections and trade war between largest exporter, the US and largest consumer, China.

In the latest USDA monthly report, world cotton consumption is revised lower by 2 million bales to 123.6 million. The forecast for ending stocks has been increased by 2.3 million bales to 75.5 million with a 2 million bale increase for China. Moreover, world's stocks-to-use ratio for cotton is up at of 29.4 percent, highest since 2015. For India, USDA estimated cotton-ending stocks to increase by 450,000 bales and mill use to reduce by 500,000 bales in 2018-19.

In 2018-19, cotton output in the country is expected to be lowest in eight years due to late and deficient monsoon rains in the main cotton growing states of Gujarat and Maharashtra. Lower acreage in Telangana, Andhra Pradesh and Karnataka reduce cotton production in south India by close to 14 percent or 13 lakh bales. Moreover, Cotton Association of India (CAI) in its latest press release forecast cotton output at 330 lakh bales, down by 10 percent compared to last year's production of 365 lakh bales. It has also predicted imports to be higher by about 80 percent on year to 27 lakh bales.

From the demand side, CAI has revised down the consumption requirement by mills to 316 lakh bales from 324 lakh last season, mainly on lower export demand for yarn from the country. In the recent study by Confederation of Indian Textile Industry (CITI), export of cotton yarn to the European Union (EU) and China constantly declined in last five years due to duty disadvantage with Bangladesh, Vietnam and Pakistan. Yarn export from the country has slowed down since September last year. According to Commerce Ministry data, India exported 3.81 lakh tonnes of yarn during Sep-Dec period, which is down by almost 10 percent on year. However, for the Apr-Dec period, the exports are up 18 percent on year to 9.22 lakh tonnes.

However, the cotton export from the country is expected to slow down in coming months due to comparatively higher domestic prices than the world coupled with stronger rupees. CAI in its latest release said that export volume is expected to be 50 lakh bales in 2018-19, down about 27.5 percent from last year exports.

Outlook

Cotton futures is heading for fourth straight month loss in February and also fallen to lowest in 10 months on higher domestic supplies than the prevailing demand from the bulk buyers. The spot prices have also slipped below minimum support price but active procurement by Cotton Corporation of India (CCI) is supporting prices above Rs 20,000.

Going forward, a decline in cotton price may be limited due to government support price. Therefore, we need certain fundamental triggers like increase in exports from the country in case of improving international cotton price following resolution of a trade dispute between China and US, lower crop outlook, forecast of deficient monsoon rains and weaker rupees. Boost to yarn exports may also help improving cotton prices in the country.

However, as per the current scenario, we expect cotton to trade under pressure towards Rs 19,500 as farmers continue to hold on to their stocks in anticipation of better prices, which is leading to higher imports while demand is still wanting from the textile mills.

Indian garment workers take to the airwaves to demand better conditions	**Reuters.com** https://www.reuters.com/article/us-india-radio-garments/indian-garment-workers-take-to-the-airwaves-to-demand-better-conditions-idUSKCN1Q910W

The caller broke down in tears as she described how she queued three times to use one of only two toilets provided for 200 garment employees at the spinning mill where she works in India's southern state of Tamil Nadu.

Her turn never came, forcing the factory worker to use a corner of the mill where waste cotton is discarded.

Humiliated and angry, the worker decided to share her daily ordeal at the mill with a local radio phone-in show. Listeners included labor unions and factory managers and work has now begun to add more toilets at the mill.

Three radio stations, which are free and broadcast through mobile phones, have been set up across Tamil Nadu over the last year and now give a voice to the thousands of garment workers whose plight has long been ignored by manufacturers and brands.

Operating in the regions of Dindigul, Chennai and Tirupur, they attract more than 200 callers per day and have quickly become a huge hit among the state's garment workers.

Callers into the shows discuss harassment, long working hours, poor wages and other working conditions.

Many of the factories and mills in Tamil Nadu – the largest hub in India's $40 billion-a-year textile and garment industry – operate informally, with poor regulation, and provide few formal grievance mechanisms for workers, union leaders say.

Existing grievance systems, like anonymous complaint boxes and internal committees to deal with sexual harassment, are rarely used by workers who fear they will lose their jobs or distrust management, they add.

“What they cannot openly say for fear of losing their jobs, they say here,” said Thivyarakhini Sesuraj, president of the all-women Tamilnadu Textile and Common Labour Union (TTCU), which runs the Voice of TTCU station in Dindigul.

“These are first hand reports of what goes on inside the factories. And they reflect everyday abuse and hardship.”

TUNE IN

Every day on her way to work, Chennai-based garment worker Padma listens to the Voice of Rights station on her mobile phone, pressing it against her ear and straining to hear the callers over the traffic sounds during her daily commute.

Padma, who goes by one name, describes the show as an “addiction that empowers” her.

Paul Kani, tunes in to the same station each morning, putting her phone on loudspeaker as she cooks for her family before heading to work at her garment factory in Ambattur, a suburb near Chennai.

Kani says she can no longer cook unless she has the station playing in the background and likes to get involved.

“I love talking about various issues on the show,” she told the Thomson Reuters Foundation. “So many people can hear me and I don’t feel alone in my struggles.”

Supported by technology company Gram Vaani, the Voice of Tirupur station hit the airwaves last week - making it the third interactive platform available to the more than one million workers employed in Tamil Nadu.

Run in collaboration with garment workers’ unions like TTCU, Garment and Fashion Workers Union, and Penn Thozhilalargal Sangam, these channels are helping to track and find solutions to grievances, labor rights campaigners say.

“We have had more than 80 cases where the problem has been resolved and impacted hundreds of workers in just one year,” said Lamuel Enoch, program manager at Gram Vaani.

As well as spoof shows that give a light-hearted take on the lives of factory workers, Village Talk is a segment that invites listeners to share a short clip of them singing or talking on a work-related or everyday issue.

“We use comedy, music and drama to talk about issues ... (and) broadcast updates on union activities, ongoing court cases and policy,” Enoch said.

“Our latest edition also includes multiple language options to cater to the migrant worker.”

CALL FOR HELP

Sesuraj at TTCU, who has campaigned for many years to improve the rights of mill workers, said she is often surprised by the nature of complaints and concerns raised by workers who call the radio shows.

“A recent caller said that she was being ridiculed for not fitting into a uniform shirt provided by the management,” Sesuraj said.

“All the shirts were in medium size but she needed a large, which they refused to give her. She could not even negotiate for that. She wanted help.”

The silence around sexual harassment is also being broken by the three new radio networks.

Despite nationwide awareness campaigns and the introduction of mandatory complaints committees in factories since 2013, no sexual harassment complaints have been made in the Tamil Nadu garment industry, according to a 2018 government report.

However, on air, garment workers have found their voice, often mentioning the abuse they are subjected to each day, Sesuraj said.

Three cases of sexual harassment described by callers on Voice of TTCU shows are now being formally pursued by the union in Dindigul.

“The users are growing, awareness is growing, and we have received complaints in large numbers,” said Sujata Mody, president of Garment and Fashion Workers’ Union that runs the Voice of Rights broadcast.

“But are brands listening to voices of the women ... and is the industry willing to meet their basic needs? Everyone needs to tune in and listen carefully for change to come.”

CCEA approves continuation of Khadi Yojana till FY20	**Business Today** https://www.businesstoday.in/top-story/government-approves-continuation-of-khadi-yojana-til-fy20/story/320421.html

"It will be rolled out in 50 Villages by providing 10,000 Charkhas, 2000 looms & 100 warping units to Khadi artisans, and would create direct employment for 250 artisans per village.

The Union Cabinet Tuesday approved the continuation of Khadi Gramodyog Vikas Yojana until 2019-20, an official statement said.

The Cabinet Committee on Economic Affairs (CCEA) has given the approval to continue the existing schemes of MPDA, Khadi Grant, ISEC and Village Industry Grant, all subsumed under 'Khadi and Gramodyog Vikas Yojana' at the total cost of Rs 2,800 crore for the period 2017-18 to 2019-20.

It further said the nod has also been given to bring in a new component of 'Rozciar Yukt Gaon' to introduce enterprise-based operation in the Khadi sector and to create employment opportunities for thousands of new artisans in the current and next financial year (2018-19 and 2019-20).

Rozgar Yukta Gaon (RYG) aims at introducing an 'Enterprise-led Business Model' in place of 'Subsidy-led model' through a partnership among three stakeholders- KRDP-assisted Khadi Institution, Artisans and Business Partner.

"It will be rolled out in 50 Villages by providing 10,000 Charkhas, 2000 looms & 100 warping units to Khadi artisans, and would create direct employment for 250 artisans per village," the release said. The total capital investment per village is estimated at Rs 72 Lakh as the subsidy and Rs 1.64 crore in terms of working capital from the business partner.

Under the village industry verticals, special focus would be on agro-based and food processing (honey, palmgur etc), handmade paper and leather, pottery and wellness and cosmetics sectors through product innovation, design development and product diversification. "For this initiative, advanced skill development programmes shall be conducted through existing Centres of Excellence such as CGCRI, CFTRI, IIFPT, CBRTI, KNHPI, IPRITI etc," the release added.

As a part of rationalisation exercise, it said that eight different schemes of Khadi and Village Industries have now been merged under two umbrella heads -- 'Khadi Vikas Yojana' and 'Gramodyog Vikas Yojana'.

FDI during Apr-Dec 2018-19 falls 7% to $33.49 bn	**Business Line** https://www.thehindubusinessline.com/economy/fdi-during-apr-dec-2018-19-falls-7-to-3349-bn/article26319487.ece

Foreign direct investment (FDI) into India contracted by 7 per cent to USD 33.49 billion during April-December in the current fiscal, according to commerce and industry ministry data. Foreign fund inflows during April-December 2017-18 stood at USD 35.94 billion.

The key sectors that received the maximum foreign investment during the nine months of the fiscal include services (USD 5.91 billion), computer software and hardware (USD 4.75 billion), telecommunications (USD 2.29 billion), trading (USD 2.33 billion), chemicals (USD 6.05 billion), and the automobile industry (USD 1.81 billion).

Singapore was the largest source of FDI during April-December 2018-19 with USD 12.97 billion inflow, followed by Mauritius (USD 6 billion), the Netherlands (USD 2.95 billion), Japan (USD 2.21 billion), US (USD 2.34 billion), and the UK (USD 1.05 billion).

A decline in foreign inflows could put pressure on the country’s balance of payments and may also impact the value of the rupee.

4the India-ASEAN Expo summit to begin on Thursday	**Business Standard** https://www.business-standard.com/article/news-ani/4the-india-asean-expo-summit-to-begin-on-thursday-119022000757_1.html

The 4th India ASEAN Expo and Summit beginning Thursday will bring Indian and ASEAN businesses together to work jointly towards integrating them into regional value chains, thereby promoting mutual trade and investment.

The flagship event of Department of Commerce, being organised with industry body FICCI from February 21 to 23, will build upon the success of previous editions.

More than 200 exhibitors and 100 buyers from the ASEAN are expected to participate in the expo. There will be buyer-seller meetings to provide business leaders an opportunity to closely interact with their counterparts and consolidate B2B and B2G relations.

The exposition will showcase the best initiatives across various sectors of mutual cooperation like infrastructure, manufacturing, engineering, ICT, healthcare, tourism, environment, agriculture, science and technology, finance and banking, logistics and retail.

The Association of South-East Asian Nations (ASEAN) comprises Vietnam, Thailand, Singapore, Philippines, Myanmar, Malaysia, Laos, Indonesia, Cambodia, and Brunei. ASEAN is the second largest trading partner of India after China with a total bilateral merchandise trade of 81.33 billion US dollars.

Govt. of Telangana Felicitates Mr. Mrugank Paranjape for his Contribution to the Textile Industry	**India Education Dairy** http://indiaeducationdiary.in/govt-telangana-felicitates-mr-mrugank-paranjape-contribution-textile-industry/

Mumbai: In recognition of his special contribution towards the textile sector in India, Mr. Mrugank Paranjape, Managing Director & CEO, Multi Commodity Exchange of India Ltd. (MCX) was felicitated by Shri Jayesh Ranjan, Principal Secretary of Industry & Commerce, Government of Telangana and Mr. B. K. Goenka, Chairman, Welspun at the ‘CEO Conclave 2019’— a two-day event organised at Hyderabad on February 19-20, 2019. The felicitation ceremony was marked by the presence of numerous dignitaries including Mr. Mihir Parekh, Director, Telangana Mega Textile Park; TK Sengupta, President, Textile Association of India; R. K Agarwal, Chairman, Telangana Spinners Association and Suresh A. Kotak, Chairman, Kotak & Co. Ltd. among others.

The two-day event comprising of panel discussions and presentations aimed at charting out a road map for ‘Reviving confidence in textiles’ through building new capabilities for sustainable and resource efficient growth of the textiles sector.

On being felicitated, Mr. Mrugank Paranjape, MD & CEO, MCX said, I’m indeed honoured to receive this recognition by Textile Association of India, however, I believe this award is a direct result of the relentless determination displayed by our workforce while catering to risk management needs of stakeholders in the cotton ecosystem.”

“Growth and development of cotton based textile industry has a vital bearing on the overall development of Indian economy. India being one of the fastest growing economies in the world, rising demand by textile sector and hedging needs of physical market players, futures trading in cotton will go a long way by helping the diverse cotton trade and industry stakeholders in managing price risks on their spot and forward transactions. This is crucial for stabilising incomes of corporates, farmers, and the economy at large”, Mr. Paranjape added.

Cotton is the basic raw material for the textile industry, which has an overwhelming presence in the economic life of the country. The Indian textile industry is extremely varied, with the hand-spun and hand-woven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other.

India being one of the main participants in international cotton trade, the commodity, as well as its user industries, viz. spinners/textiles, are exposed to risks in volatility in cotton prices which arise from both domestic and international factors. If this price risk is not managed, it can quickly get transmitted to the entire value chain of the commodity. Given the annual Indian market size of cotton at Rs. 60,000 crore and an annualized volatility of 16.5% in cotton prices witnessed during 2018, the industry is exposed to a significant level of price risk estimated at more than Rs. 9,900 crore annually. Even if reducing risks may not always improve earnings in the short run, failure to manage risks has direct repercussions on the risk-bearers' long–term incomes, planning and expansion ability and also helps in development of a long term fibre security.

Over the last few years, MCX cotton contract has demonstrated its ability to meet the risk management needs of a wide spectrum of stakeholders in the cotton ecosystem along with transparent discovery of prices.

Amongst MCX's recent initiatives to support thousands of cotton farmers in the Maharashtra state to move up the value chain, the Exchange signed an MoU in June 2018. MCX continues to support cotton farmers by bringing in infrastructure, education, knowledge, market linkages, and credit and finance arrangements, among others. Also, as a part of 'Cotton Mission', MCX has empanelled three new warehouses for delivery of cotton in Vidarbha region in addition to its existing accredited warehouses in Maharashtra.

Made in the USA: Snapshots in On-Shore Manufacturing	**Apparel Magazine** https://apparelmag.com/made-usa-snapshots-shore-manufacturing

Textile and apparel manufacturing continues to thrive in the United States, often in specialized niches. This article examines four companies: a California knit fabric specialist, a young entrepreneurial jeans maker in South Carolina, a family-run narrow fabric manufacturer in Rhode Island and a well-known sock maker in North Carolina. Pawtucket, R.I., home to historic Slater's Mill, the first water-powered spinning mill in the United States, is known as the birthplace of the U.S. textile industry. Once a thriving textile center, there are just a handful of companies left in the city, but one of them happens to be a successful manufacturer with an inspirational story behind its founding.

North East Knitting, (NEK) a narrow fabrics manufacturer, specializing in elastics and webbing, serves a variety of markets, including apparel, safety, sporting goods, medical and automotives. Its founding is a story of hard work, perseverance, determination, and a testament to the critical role immigrants have played in the success of U.S. manufacturing.

Rosalie DaRosa, a native of the Cape Verde Islands, was among several founders of the company in 1986. She came to Pawtucket with her father when she was 18. Speaking very little English, she began working with her father at a company called International Stretch, a producer of elastic textiles.

North East Knitting has grown with its customers. About 15 years ago, following a downturn in business, the company added weaving to its capabilities, allowing it to broaden its customer base. Offering braiding, knitting and weaving services, the company became a one-stop shop for its customers. During this period of growth, Rosalie's three sons — Eric, Michael and Alex — joined the company and now manage its operations.

"I've always liked textiles," she says. "I've been here for 50 years and I was very fortunate to have three young boys. They got a great education and went to work for other companies until I told them I needed them. They go to trade shows and see what demand is there and what markets to try to get in to. They have taken this company to another level. What I do is support them and make sure the factory goes smooth and we hire the right people. That's the role I play now."

Greenville, S.C., is home boutique jeans maker Billiam Jeans, the brainchild of 30-year-old entrepreneur, Bill Mitchell, who as a senior at Clemson University back in 2009 discovered he had a penchant for making tailored clothing. His Greenville shop doubles as Billiam's factory, where Mitchell and his lone employee laboriously churn out top quality jeans at the rate of about one pair per hour.

In addition to his retail shop, Mitchell sells Billiam jeans online and to wholesalers serving boutique shops mostly in the Southeast. Billiam has also gone international with eight stores in the U.K. carrying the jeans, and stores in South Korea and Japan selling them as well.

At $250 a pair, Billiam's jeans aren't for everyone. Mitchell describes his clientele as ranging from consumers who like locally made products and don't mind paying extra to well-heeled customers with the means to buy the most expensive designer jeans who instead choose to pay for the experience of buying tailored jeans.

Initially, Mitchell purchased denim from Liberty Denim in South Carolina, which closed in 2012. From that point until the end of December 2017, Mitchell sourced his denim from Greensboro-based Cone Mills' White Oak plant, the only remaining facility producing selvage denim in the United States, weaving it on vintage 1940s Draper looms. However, Cone's owner, International Textile Group, decided to close the venerable and world-famous plant at the end of 2017, cutting off the supply to Billiam and other boutique jeans makers around the United States. Much of White Oak's appeal derived from the way the denim was crafted, as well as from being made in the United States.

Upon learning the news of the plant's closing, Mitchell scrambled to maintain his supply line by buying as much of White Oak's inventory as he could.

"I took about every penny I had in the bank and bought as much denim as I could," Mitchell says. "The plan was to stock up. We now have material to last us for the next three or four years, and we are as full as we could possibly be."

Mitchell laments White Oak's closing, saying that in addition to putting niche jeans makers in a sourcing bind, it also may stifle the next generation of young entrepreneurs who want to start jeans companies. Long-range, he says, Billiam may explore sourcing denim from Trion, GA-based Mount Vernon, which now operates the last remaining U.S. denim mill. In the meantime, Mitchell says he plans to get into the cut-and-sew of t-shirts and sweats.

SAS

Sean Sassounian, CEO and founder of Vernon, Calif.-based SAS Textiles, a versatile circular knitter of contemporary and performance fabrics, says his company has persevered despite cheap imports by offering top quality and quick turnarounds, yet in other areas there have been many changes since he founded the company more than 25 years ago, among them smaller programs by customers and a move to online sales.

Sassounian founded SAS Textiles in 1993 while studying business at the University of Southern California. He had previously helped his father sell imported yarns from Brazil. He partnered with a knitter when he founded the company because, as he says, “I had no idea what knitting was all about.”

SAS works with “select” dye houses in the area for dyeing and finishing. At one time, the company had a cut-and-sew partner in Mexico, but SAS is currently only offering fabrics, although Sassounian hopes to move back into cut-and-sew sometime in the future.

SAS has a product development team that focuses on innovation and an extensive library of more than 20 years of styles that Sassounian says inevitably come back into vogue.

In addition to rising labor costs, which are coming about in part due to California’s new law that will see the hourly minimum wage rise gradually to $15 by Jan. 1, 2021, textile companies are increasingly finding it difficult to recruit skilled labor.

SAS Textiles has moved into a more performance-oriented market in recent years as a way to diversify its product mix. The company works with a lot of the better contemporary brands in the activewear market. Quality control is essential, particularly in these markets, and SAS puts a lot of effort in this area.

Although SAS’ sales increased in 2018, market conditions continue to be tough, says Sassounian. While today SAS has more customers, orders are smaller, and tariffs on yarn made in China is causing SAS to increase fabric prices.

“We are cautiously optimistic about 2019,” Sassounian says. “We are planning on going beyond only offering fabric and offering full-package garments. We are in the process of setting this up and will be offering this service shortly.”

Sri Lanka apparel exports $ 5 b milestone, what lessons to learn and what does it mean for SL?	Fashion Times http://www.ft.lk/columns/Sri-Lanka-apparel-exports---5-b-milestone--what-lessons-to-learn-and-what-does-it-mean-for-SL-/4-673218

The export figures in December 2018 saw Sri Lanka’s ready-made garments industry for the first time crossing the $ 5 billion mark for the first time in history. It is the first export industry that has achieved this number in Sri Lanka since the country was opened as a free economy in 1977.

The apparel sector has been and is a dynamic contributor to Sri Lanka’s economy for the last four decades and has helped the country to grow towards middle-income status nation and reduce poverty in many parts of the island.

The readymade garments industry of Sri Lanka is the primary export foreign exchange earner, accounting for over 40% of the total merchandise exports and nearly 50% of industrial products exports. This industry competes entirely in the international market place and has earned a reputation as a quality destination for sourcing among global buyers.

Today Sri Lankan apparel manufacturers and suppliers are reputed worldwide for producing top quality ethical fashion apparel products and are trusted by the iconic global fashion brands as a reliable destination to source and secure a credible supply chain.

Value to the economy underestimated or not understood

Some have been critical or negative of the industry without knowing the facts. Others are unaware that the net export foreign exchange income to the country by the apparel industry exceed the joint earnings of tea, rubber, coconut and few other products combined.

Today's apparel sector value addition in some products is well over 50% to 60%, which was around 20% to 30% at the outset. In addition to this fact, the total trade value (exports and imports) accounts for over $ 7.5 billion, making the sector contribution of more than 20% to the trading sector GDP. Apart from this, they have created a massive second layer of industries and service providers who create wealth and employment in the domestic market which is not spoken of or recognised by many.

Impact to the country and economy is beyond exports

In addition to the foreign exchange earned through exports, the employment directly created would be more than 250,000. Many factories are located in rural or underdeveloped regions of the country as well as in the northern and eastern provinces where new factories were put up after the end of the conflict. This has created economic centres and ecosystems which has over the years helped the country to move into a middle-income nation and help reduce poverty in many districts.

The industry has been innovative, believes in competition and quality and partners the Government in policymaking rather than asking for assistance and handouts to sustain the business growth over the decades.

The achievement of $ 5 billion in export turnover was probably delayed due to the loss of GSP+ to Europe in 2011. Many opportunities were lost, and new challenges were faced by the industry as it had to compete under difficult circumstances including an overvalued currency at on time. If not, the ready-made garment industry would have been around $ 8 billion by now (if one observes the growth of the other nations who competes and had better market access to EU from 2011-2016).

With exports, many other sectors, such as suppliers, transport, logistics, shipping, insurance, engineering, technology and many other services and products such as packaging are value adding to the domestic economy creating an extra million jobs indirectly which is not noticed.

Economic value of imports for export processing?

There is a myth or a belief that exports must be near 100% domestic value addition. Many don't understand that value chains can be created by two-way or multi-way trade. Others turn a blind eye to imports for export processing without understanding its economic value to the nation. Some describe it as a burden on the economy as foreign exchange flows outwards.

What they don't realise is that in today's global economy value addition can take place in different countries and that needs two-way trade of raw material, semi-finished goods, intermediaries and final products. Clear and simple examples are available from the high-tech industry such as airplanes and mobile phones which are well connected to the global supply chain at multiple points where groups of nations benefit out of two-way trading.

It is a smart charter of an industrialist's ability to plug into the global supply where it matters with input and knowledge at an advantage point. It is the way forward for a small island such as Sri Lanka which can follow successful models such as Dubai and Singapore hubs have done to evolve as major global export hubs. In such locations, two-way trade has created thousands of jobs and wealth, making them first world economies

The import turnover of $ 2.5 billion of the readymade garment industry of Sri Lanka has helped it to be part of the global value chain although it does not command the luxury of raw materials. However, the multiplier effect to the economy is massive to say the least as a middle-income small economy.

The greatest beneficiaries of the apparel industry imports for export processing has been the local service providers. The derived demand for services such as ports, clearing agents, shipping companies, freight and logistics provides, warehouse operators, transporters, banks and insurance has created a large domestic ecosystem that is not at all talked of when the apparel industry is discussed in forums. Sadly, many only try to see and project the net revenue which incidentally also has been the number one among the export basket of Sri Lanka.

There are many more opportunities to Sri Lanka to do other products by using the readymade garment industry model as an example. This why we have been promoting the commercial hub concept again which was designed by the Joint Apparel Association Forum (JAAF) many years back along with the Government.

Sri Lankan exporters must now seek new partnerships and value chains with internationalisation of the production base to help widen the export base to support national needs and requirements; in fact at the National Export Strategy (NES) sectors such has boat building were recommended to look outwards to create new value chains to its business model as an Indian ocean hub any have still failed to understand the success of JAAF and its model. If Sri Lanka wants to leap into a new era of export expansion, look at what our own entrepreneurs have done in the readymade garment industry where the competition is at the highest level externally.

I have been honoured to work with this industry, but as an independent multi-industry person involved in supporting exports, I would like to congratulate JAAF and its members for what they have achieved and contributed to the nation over the past four decades.

PM approves draft Pak-Turkey Strategic Economic Framework	Nation.pk.com https://nation.com.pk/20-Feb-2019/pm-approves-draft-pak-turkey-strategic-economic-framework

The Prime Minister approved in principle, the draft Strategic Economic Framework between Pakistan and Turkey at a meeting held here.

The Prime Minister directed for early finalization of the framework aiming at transforming the bilateral relations between the two countries into a broader growing strategic economic relationship. He directed relevant ministries to vigorously pursue this framework and put in place strong institutional arrangements for its implementation, once finalized.

The meeting was attended by relevant federal ministers and secretaries including Finance, Information and Broadcasting, IPC, Health, Commerce, Energy, Chairman BOI and others.

Secretary EAD gave a detailed briefing on the contents and contours of the proposed framework. It was informed that during the Prime Minister's visit to Turkey in the first week of January this year, the top leadership of the two sides had agreed to transform the bilateral relationship into a long-term strategic trade, investment and economic relationship based on the principles of reciprocity and fairness.

On his return from Turkey, the Prime Minister constituted a ten member ministerial committee headed by the Finance Minister, Asad Umar to finalize the proposed framework. Subsequently, two meetings of this Ministerial Committee were chaired by the Finance Minister and ideas and proposals were received from the 16 relevant ministries of the federal government. After due consideration and examination, proposals were identified, evaluated and incorporated into a wholesome draft strategic economic framework.

The Finance Minister briefed the meeting that it is an integrated framework that has been built keeping in view the best interest of Pakistan, capitalizing on mutual complementarities and key advantages of the two economies, the framework so finalized will serve as the overarching strategic policy framework integrating all facets of existing bilateral economic cooperation into a single platform.

The Economic Framework seeks to build a strategic economic framework with brotherly country Turkey in a globally evolving geo strategic environment and through this instrument tangible measurable results will be pursued. It will encompass broader areas of bilateral cooperation like trade, textiles, investment, industries and production, energy, economy/banking and finance, aviation, agriculture, social sectors and tourism.

Pakistan through this framework is not looking for aid but trade, investment and technology for enhancing industrial productivity of its economy. There are strong mutual complementarities between the two economies.

While on one hand Pakistan can benefit from modern industrial base and technological advancement specifically in auto sector, steel sector, value added textiles and tourism on the other hand Pakistan can meet Turkish economy's requirements such as agricultural products, raw materials, textile materials etc. The joint ventures between Turkey and Pakistan in multiple sectors including value added textile and leather industry can produce quality products for export to European Union and East Asian markets.

READ MORE: Zardari urges govt to cooperate with Iran over Zahedan attack

After approval by the Prime Minister in principle, the government of Pakistan is now sharing this draft framework with the Turkish side for their review and consideration before the same is finalized between the two countries in the coming weeks.

Policymakers asked to support GMO	The News.com https://www.thenews.com.pk/print/434564-policymakers-asked-to-support-gmo

Biotech scientists say struggles in agriculture persist, because no international company markets seeds of the four major crops cotton, wheat, rice and sugarcane in Pakistan, and these crops are almost exclusively served by local seed businesses.

In fact, the only success story in row crops has been that of maize, almost exclusively through efforts of leading multinational companies that have invested in research, technology and farmer education," a statement quoting experts said.

Genetically Modified Organism (GMOs) was currently one of the most hotly debated topics in Pakistan and around the world as well

This was despite GM crops being in the market for over two decades with over 17 million farmers growing biotech crops on almost 190 million hectares in 24 countries.

Currently, over 97 percent of the cotton grown in Pakistan was first-generation genetically modified pest-resistant plant cotton (also known as BT cotton). Since the seeds were introduced through illicit means and without proper stewardship, they lost their efficacy after a few years, they reminded.