

News LETTER

09th
October
2018

CITI

CONFEDERATION OF INDIAN TEXTILE INDUSTRY



News Highlights

[Cotton output may fall 4.7% due to scant rainfall, pink bollworms: CAI](#)

[India exported handcrafted goods worth Rs 1.36 lakh cr in past 4 years: Irani](#)

[India and US bilateral trade rises 119% since 2007 at \\$126.2 billion](#)

[Shri K B Agarwala re-appointed as President of FOHMA](#)

Cotton and Yarn Futures

	ZCE - Daily Data (Change from previous day)	MCX (Change from previous day)	
		Oct 2018	22270 (+90)
Cotton	15080 (-145)	Nov 2018	22330 (+140)
Yarn	23485 (-725)	Dec 2018	22380 (+100)

Cotlook A Index - Cents/lb (Change from previous day)

05-10-2018	85.35 (-0.60)
05-10-2017	78.65
05-10-2016	79.10

New York Cotton Futures (Cents/lb) As on 06.10.2018 (Change from previous day)

October 2018	77.94 (+1.45)
December 2018	77.38 (-0.17)
March 2019	78.37 (-0.12)



For any further Info/Query Contact:
www.citiindia.com/innotex2018/
 innotex2018@citiindia.com | innotex2018@nitratextile.org
+ 91 09310773887 | + 91 09213791569
 Last Date of Application **20 SEP 2018**

SCULPTING INNOVATIONS IN TEXTILES & APPAREL



60 YEARS OF SERVICE TO THE TEXTILE INDUSTRY

Organiser

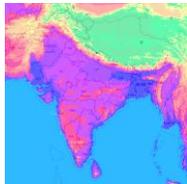

Knowledge Partner


Supporting Partners
 

INNOVATIONS IN T&C SECTOR

- Ginning
- Spinning
- Weaving
- Knitting
- Processing
- Garmenting
- Technical Textiles

NATIONAL



- [Cotton output may fall 4.7% due to scant rainfall, pink bollworms: CAI](#)
- [India exported handcrafted goods worth Rs 1.36 lakh cr in past 4 years: Irani](#)
- [India and US bilateral trade rises 119% since 2007 at \\$126.2 billion](#)
- [Shri K B Agarwala re-appointed as President of FOHMA](#)
- [ITR filing deadline for companies extended again](#)
- [Tamil Nadu asks govt to settle Rs 56-bn IGST dues, give Rs 20-bn assistance](#)
- [Don't do business with new parties in textile market: FOGWA](#)
- [Gujarat CM appeals for calm amid mass exodus of migrant workers](#)
- [Better understanding of Indian textiles on a global level today: Anita Dongre](#)
- [ICMAI releases Guidance Note on GST Annual Return](#)

GLOBAL



- [Sri Lanka July exports up 5.7-pct, tea, garments down](#)
- [Cambodia's Hun Sen defiant despite EU trade threat](#)
- [Tajikistan to develop textile and clothing production](#)
- [Trashing cotton in a quality-conscious world](#)
- [France Should Put Uzbekistan Leader to the Test](#)

NATIONAL:

Cotton output may fall 4.7% due to scant rainfall, pink bollworms: CAI

(Source: Rajendra Jadhav, Business Standard, October 08, 2018)

COTTON CHART

In million bales (1 bale = 170 kg)

Year	Production	Export
2013-14	39.8	11.7
2014-15	38.6	5.8
2015-16	33.8	6.9
2016-17*	33.7	5.8
2017-18*	36.5	7.0

*Estimated, Compiled by BS Research Bureau
Sources: Cotton Association of India, Cotton Corp. Of India

Indian farmers have adopted genetically-modified seeds known as Bt cotton that are resistant to bollworms

Cotton production in 2018-19 is likely to fall 4.7 per cent from the previous season to 34.8 million bales, as scant rainfall and an attack of pink bollworms are expected to squeeze crop yields, the head of a leading trade body told Reuters.

The drop in output could limit exports from the world's biggest producer of the fibre amid rising demand from top consumer China and in turn support global prices, which are hovering near their lowest level in more than nine months hit last week.

“In Gujarat, we are expecting a big drop in production due to dry weather,” said Atul Ganatra, president of the Cotton Association of India (CAI).

Gujarat, the country's top cotton producing state, received 28 per cent lower rainfall than normal in the June-September monsoon season, according to the India Metrological Department.

The western state's fibre output is estimated to drop 14.3 per cent from a year earlier to 9 million bales in the new marketing season that started on October 1, he said.

In Maharashtra, the country's second-biggest cotton producer, output is expected to ease to 8.1 million bales from 8.3 million bales due to an attack of the pink bollworm pest, Ganatra said.

Indian farmers have adopted genetically-modified seeds known as Bt cotton that are resistant to bollworms, but it has not stopped the infestations.

Pink bollworms consume the fibre and seeds inside a cotton plant's boll, or fruit, and yields fall.

Gujarat and Maharashtra account for more than half of the country's total cotton production.

"Due to less production exports are likely to reduce and import is likely to increase," he said.

Pakistan, China, Bangladesh and Vietnam are key buyers of Indian cotton.

In 2017-18, India exported 6.9 million bales of cotton.

Demand for Indian cotton is robust this year from China as a trade war is prompting the world's top consumer to avoid imports from the United States.

[Home](#)

India exported handcrafted goods worth Rs 1.36 lakh cr in past 4 years: Irani

(Source: PTI, Business Standard, October 8, 2018)

The country exported handcrafted goods worth Rs 1.36 lakh crore in the past four years, Union Minister Smriti Irani said Monday.

Addressing a Handloom Business Meet here, the textiles minister spoke about the significance of attaching the tourism industry to the rich crafts heritage through concepts like home-stays to propagate the legacy through youngsters.

She said such a move could also generate additional income for weavers.

"Most of our studies show that in a weaving community, it is the youngsters who are leaving because they see no expansive opportunities," she said.

She urged social networking giant Facebook to get involved in the endeavour.

"If Facebook can help highlight in each artisan community that you have trained, this aspect, and connect them to the travel and tours, adventurers, I think that will also work," Irani said while participating in a panel discussion in the presence of Ankhi Das, Public Policy Director, Central and South Asia, Facebook.

"In our country in the past four years we have exported handcrafted goods worth to the tune of Rs 1.36 lakh crore, she informed, highlighting the sector's potential.

[Home](#)

India and US bilateral trade rises 119% since 2007 at \$126.2 billion

(Source: Nirmalya Behera, Business Standard, October 09, 2018)

In the imports bracket, India was the United States' 11th largest supplier of goods in 2017

Bilateral trade of goods and services between India and the US has gone up by 119 per cent since 2007, touching \$126.2 billion, according to the data collated by the office of the United States Trade Representative (USTR).

According to the data, exports were valued at \$49.4 billion and imports were worth \$76.7 billion. The US goods and services trade deficit with India was \$27.3 billion in 2017.

The data comes at a time when the two nations are locked in a trade war.

“India is our ninth largest goods trading partner with \$74.3 billion in total (two-way) goods trade during 2017. Goods exports totaled \$25.7 billion and goods imports totaled at \$48.6 billion. The US goods trade deficit with India was \$22.9 billion in 2017,” said USTR on its website.

While India was the United States' 15th largest goods export market in 2017, the latter exported \$25.7 billion of goods to India, up by 18.7 per cent (\$4.1 billion) from 2016 and up 71.6 per cent from 2007.

US exports to India accounted for 1.7 per cent of overall US exports in 2017. The top export categories in 2017 were precious metals and stone (diamonds) at \$7 billion, mineral fuels (\$2.8 billion), aircraft (\$2.2 billion), machinery (\$2.1 billion), and optical and medical instruments (\$1.4 billion).

US exports of services to India were estimated at \$23.7 billion in 2017, 15.2 per cent (\$3.1 billion) more than 2016, and 174 per cent higher than 2007 levels. Leading services exports from the US to India were in the travel, intellectual property (computer software, audio and visual related products), and transport sectors.

In the imports bracket, India was the United States' 11th largest supplier of goods in 2017.

US goods imports from India totaled \$48.6 billion in 2017, which surged by 101.9 per cent from 2007. The imports from India account for 2.1 per cent of overall US imports in 2017.

The top import categories during the last calendar year were precious metal and stone (diamonds) (\$10 billion), pharmaceuticals (\$6.1 billion), mineral fuels (\$2.7 billion), machinery (\$2.5 billion), and miscellaneous textile articles (\$2.5 billion).

The US also imported \$2.6 billion of agricultural products from India during the period under review. In the services category, \$28.1 billion were imported from India. The imports of services were about nine per cent more than 2016, and a whopping 183 per cent greater than 2007 levels.

“Leading services imports from India to the US were in the telecommunications, computer, and information services, research and development, and travel sectors,” USTR said in its report.

[Home](#)

Shri K B Agarwala re-appointed as President of FOHMA

(Source: FOHMA Press Release)



At the recently held AGM of the Federation of Hosiery Manufacturers of India (FOHMA) in Kolkata, Mr. K B Agarwala, Managing Director of Rupa & Co. was re-appointed as its President. Additionally, the Vice Presidents of five regions: Mr. A C Eswaran (South), Mr. Raj Kumar Jain (Central), Mr. Sunil J Pathare (West), Mr. Vinod Gupta (North) and Mr. Sanjay Jain (East) - their five Joint (Zonal) Secretaries along with Mr. B. D. Kothari, Hony. Secretary & Mr. Sharad Bhattar, Hony Treasurer were also elected at this AGM. Mr. Alapan Bandyopadhyay, Additional Chief Secretary, MSME & Textiles, Government of West Bengal was present as the “**Chief Guest**”.

Following his appointment, Shri Agarwala spoke about the aggressive plans of FOHMA to scale up its activities and embark on new initiatives. He mentioned that plans are afloat to organize KNITCON 2019 in the 1st week of May 2019. This would be the 3rd edition of KNITCON, which was a very successful conference on the technological advancements in the Indian hosiery sector. He added that apart from organizing other programs, seminars & workshops – efforts were being made to send to ITMA 2019 (Barcelona, Spain) under the aegis of FOHMA.

Shri Agarwala further pointed out that the Indian hosiery industry had vast potential for growth and advancement, which could be accomplished by using proper and advanced

technologies. With the changing market dynamics, the opportunity for Indian players to explore the export markets have increased considerably.

Among the other things, he pointed out:

a) The domestic market for apparel & lifestyle products currently estimated at US\$ 85 billion was expected to reach US\$ 160 billion by 2025. Additionally, the Indian Textiles sector of which hosiery is an integral part contributed to around 13 % of total exports and employed around 105 million people directly & indirectly – thus fueling a significant part of the Indian economy.

b) The proposed hike in FDI limit for multi-brand retail will bring in more players, thereby providing more options to consumers. With global retail brands assured of a domestic foothold, outsourcing will also rise significantly. All of the above would help the organized apparel segment to grow at a CAGR of more than 13 per cent over a 10-year period.

c) The new National Textile Policy aims to allow foreign investments, thereby creating employment opportunities for a large number of people.

d) The doubling of import duty on 328 textile items to 20% would help domestic players to marginalize their losses, which had increased owing to the influx of imported products - post GST.

e) Promoting manufacturing of specific hosiery products in our country (by limiting imports) will help in furthering the “Make in India” initiative.

f) The Apparel sector showed a dip of 4% in exports from US\$17.4 billion in 2016-17 to US\$16.7 billion in 2017-18. Given this scenario, India’s export policy needs to be revisited for eliminating the existing gaps and irregularities. The Government should provide a roadmap for robust growth in merchandise exports. g) The earmarking of Rs. 690 crores by the Union Ministry of Textiles for setting up 21 Ready-made Garment manufacturing units in 7 states will help in developing & modernizing the Apparels sector.

[Home](#)

ITR filing deadline for companies extended again

(Source: Live Mint, October 08, 2018)



New Delhi: The Central Board of Direct Taxes (CBDT) has extended the due date for businesses to file their income tax returns (ITRs) and audit reports for 2017-18 to 31 October. The move to give companies extra time through a second extension of the due date was taken based on representations from

various stakeholders, the CBDT said in a statement. Earlier, the board had **extended the ITR filing deadline of 30 September to 15 October**.

However, the fresh extension applies only for ITR filing, not for remitting taxes, for which the deadline remains 30 September. Businesses filing any tax dues after the original due date, but during the period of the extended due date, would be liable to pay interest, the CBDT statement clarified.

The extension of the ITR filing deadline would be helpful to businesses for reconciling sales figures and the tax liability reported in the goods and service tax (GST) returns with their financial statements, experts said. This is the first instance of businesses filing their ITRs (for 2017-18) after the GST was rolled out in July 2017.

For 2018-19, the government has set a direct tax collection target of Rs. 11.5 trillion, a jump of 14.6% over the Rs. 10 trillion collected last fiscal year.

[Home](#)

Tamil Nadu asks govt to settle Rs 56-bn IGST dues, give Rs 20-bn assistance

(Source: T E Narasimhan, Business Standard, October 08, 2018)

Tamil Nadu CM Edapaddi K Palaniswamy on Monday met PM Narendra Modi at New Delhi and submitted a 20-point memorandum

Tamil Nadu has asked the Ministry of Finance to settle Rs 54.26 billion Integrated Goods and Services Tax (IGST) for 2017-18 and the ad hoc settlement of IGST due for September 2018 immediately. Besides, the state also said that it should be compensated with a special assistance of Rs 20 billion for the unfair treatment that the state received under the 14th Finance Commission.

Tamil Nadu Chief Minister Edapaddi K Palaniswamy on Monday met Prime Minister Narendra Modi in New Delhi and submitted a 20-point memorandum, seeking over Rs 400 billion for various schemes and projects. In the memorandum, it was stated that GST operates on the destination principle.

The IGST collected is meant for distribution between the Centre and the states. Approximately, 50 per cent of the IGST will accrue to the Centre and 50 per cent to states. The states would receive IGST in proportion to the consumption of goods and services on the destination principle. However, a significant shortfall in the settlements of amounts due to Tamil Nadu was found and accordingly the state has asked the finance ministry for early settlement of the unsettled IGST to Tamil Nadu, which was to the tune of about Rs 56 billion.

[Home](#)

Don't do business with new parties in textile market: FOGWA

(Source: Times of India, October 08, 2018)

The appeal has been issued after incidents of defaults by textile traders in the markets located on Ring Road is on the rise. Many fly-by-night operators have become active in the markets ahead of Diwali festival. Over the past 15 days, 20 incidents of cheating have come to the fore where embroidery unit owners and weavers have lost close to over Rs 10 crore.

President of Federation of Gujarat Weavers Welfare Association (FOGWA) Ashok Jirawala said, “Embroidery and power loom weavers are soft targets for fly-by-night operators. There are certain fabric merchants who are hand-in-gloves with the cheater gangs and they arrange for soft targets. However, it is important that unit owners should not enter into dealings with new parties.”

Jirawala added, “Recently, an Ahmedabad-based party had furnished fake shop address for delivery of goods and cheated the embroidery unit owners. The goods did reach at the said address, but when it was time for payment, the party disappeared. Same is the situation in the city where traders operated from rented shops and disappear after taking delivery of finished and grey fabrics.”

President of Surat Embroidery Unit Owners Association Dinesh Angadh said, “The embroidery sector is passing through a tough phase and unit owners cannot afford to be cheated by the fly-by-night operators. Hence, we have appealed the unit owners to do business with their trusted clients and avoid entering into deals with new clients till Diwali

[Home](#)

Gujarat CM appeals for calm amid mass exodus of migrant workers

(Source: Maulik Pathak, Live Mint, October 08, 2018)

20,000 migrant workers flee state in panic after protests break out over the rape of a 14-month-old girl

Ahmedabad: Gujarat chief minister Vijay Rupani on Monday urged people not to indulge in violence, which has spread fear among migrant workers in the state.

The appeal follows an exodus of migrant workers, especially from Bihar, Uttar Pradesh and Madhya Pradesh, amid acts violence against them over the rape of a 14-month-old girl on 28 September allegedly by a migrant worker.

As many as 20,000 migrant workers have fled the state, according to Mahesh Singh Kushwah, president of the Uttar Bharatiya Vikas Parishad, a group claiming to represent the interests of north Indians.

Rupani said the situation was under control and that no incident had taken place in the state in the last 48 hours.

Police have registered 56 cases across six districts and 431 people have been arrested so far, Gujarat home minister Pradeepsinh Jadeja said on Monday at a press conference in Gandhinagar. He said that 17 companies of the state reserve police have been deployed in affected areas.

Due to efforts of Gujarat Police, the situation is under control and no untoward incident has been reported in last 48 hrs- Vijay Rupani, Gujarat CM

Earlier in the day, Bihar chief minister Nitish Kumar spoke to Rupani and urged him to arrest those who have been targeting migrant workers. Kumar condemned the rape and said the guilty must be punished but the entire community should not be tarred with the same brush.

The accused, Ravindra Sahu, was arrested on the day of the incident itself. However, the incident sparked outrage in some sections of the society with mobs attacking migrant workers in various parts of the state. Hate messages were circulated on social media, which also led to attacks on migrants. Some of these messages claimed that migrant workers were taking away job opportunities meant for locals.

The districts most affected by the violence are Mehsana and Sabarkantha, while fear has also gripped other parts of the state, including Ahmedabad, Baroda and Surat.

The violence has also affected various industries, including textiles, real estate and construction. It has particularly affected the business-dominated south Gujarat region, which has a heavy presence of migrants.

The city of Surat, which has a population of 5.5 million, is estimated to have a floating population of 200,000-300,000 and the largest proportion of migrants (58%) among all cities in India.

“In all, there are 15-16 lakh migrant workers in Surat district. The textile industry of Surat is already facing a recession. It employs about 8-10 lakh people, of which half are migrants. They fear danger to their lives and properties,” said Tarachand Kasat, president of All India Textile Traders’ Association.

The industry turnover of about ₹1,000 crore per day from readymade items could be severely impacted if the situation is not brought under control immediately, he said.

It has been alleged that members of the Gujarat Kshatriya Thakor Sena (GKTS) were behind the attacks on migrants. However, Congress member of legislative assembly (MLA) Alpesh Thakor, who heads GKTS, said on Sunday that the youth of the organization were being framed by the ruling Bharatiya Janata Party (BJP) government.

There is a conspiracy to finish off GKTS and more than two dozen first information reports (FIRs) have been registered with the aim of framing GKTS youth, Thakor said. He added that he will sit on a fast from 11 October until false cases registered against GKTS members are withdrawn.

[Home](#)

Better understanding of Indian textiles on a global level today: Anita Dongre

(Source: Business Standard, October 08, 2018)

Designer Anita Dongre, who has moved one step closer to her dream of empowering the women of India by opening the fourth tailoring unit in the village of Modgaon in Maharashtra, says there has been a sense of urgency within the industry to save the country's dying crafts. She feels there is a better understanding of Indian textiles and slow fashion on a global level today.

"There has been a sense of urgency within the industry to save India's dying crafts. It's great to see not just the industry but also the government taking steps towards reviving handloom and making it relevant to the current generation," Dongre told IANS in an email when asked about her take on how the scene of handloom has changed over the years.

"Handloom is finally getting its long due recognition but I still think we have a long way to go and a lot more to do," she added.

The tailoring center located at village Modgaon, Dahanu Taluka, Palghar District, Maharashtra, is established under the aegis of Anita Dongre Foundation as part of its women empowerment initiative in collaboration with Tribal Development Department - Government of Maharashtra, Modgaon Gram Panchayat and Palghar District Collector Office.

The House of Anita Dongre Ltd. deploys its Corporate Social Responsibility (CSR) projects through its non-profit arm Anita Dongre Foundation (Section 25 Company) in multi-stakeholder partnership and collaborative mode in order to improve the quality of life of its stakeholders - including inter alia communities.

The foundation plans to have 50 such communities tailoring centers across the country in the next three years and is exploring opportunities to collaborate with like-minded and credible organisations.

So where do you see handlooms and textiles moving from here on globally?

"There is a better understanding of Indian textiles, crafts and slow fashion, on a global level today. It's amazing to see the progress we are making towards this as an industry. Social media also has been a huge enabler for us to tell our stories of Indian handlooms and textiles.

"Grassroot as a brand was born out of this very need to tell India's craft story and make it relevant to the global consumer of today. It was always my dream to showcase Indian handlooms and crafts on a global platform and the launch of our flagship store in New York brings that purpose further to life," she said.

Talking about the new tailoring unit, the designer said Anita Dongre Foundation works with the local governments and village gram panchayats to create local Women Self Help Groups (SHGs) and bring livelihood or employment opportunities to their own villages.

"Empowering the people of these villages by giving them access to a dependable source of income, in their locality is critical to arrest the tide of migration to cities. Modgaon is the fourth location where we have setup a community garment tailoring unit (in addition to Charoti, Jawahar and Dhanevari) in the Palghar District of Maharashtra.

"There are no skilled artisans or weavers in these villages - the women from these villages are unskilled labour who we skill in garment tailoring on industrial sewing machines by setting up such training-cum-production centres, and this has been our key objective," she said.

Added Dongre: "During the three months of training period, we train the women in basic and advanced skills of cutting, sewing and finishing garments and during this period every trainee is paid a stipend. Once the training is complete, we supply the center with fabrics and pay the women for the tailored garments on fair per piece rate basis so as to provide them with regular livelihood opportunities.

"Through this initiative, we mobilise women to create opportunities for skill development, employment and entrepreneurship. We currently support livelihood for over 160 women."

[Home](#)

ICMAI releases Guidance Note on GST Annual Return

(Source: Tax Scan, October 08, 2018)

The Institute of Cost Accountants of India (ICMAI) has released a guidance note on GST Annual Return.

Last month, the Government has notified a new return form for goods and services tax (GST) that will have to file for the full year. The normal taxpayers will need to file GSTR-9 return form while composition taxpayers will have GSTR-9A. The last date for filing the annual return form for 2017-18.

Taxpayers were from the beginning required to file an annual return besides the monthly and quarterly returns, but the annual format was not notified following compliance and IT issues.

The annual return form for normal taxpayers has been divided into six parts with 19 tables which includes detailed information related to outward supplies, inward supplies, ITC availed, ITC reversed, ineligible ITC, particulars of demand and refund, HSN summary of outward supplies and HSN summary of inward supplies of the transactions declared in returns filed during the financial year ending March.

“Release of the “Guidance Note on GST Annual Return” at this juncture would definitely be useful for the targeted readers. This Guidance Note contains all the details of GST Annual Return in a lucid language with illustrations and FAQs which would help the readers to clear their doubts from the basics. It is unusual in simplicity with which the various aspects of GST Annual Return have been dealt with. At the same time, the treatment of the subject is both comprehensive and easy to follow,” the Institute said in a statement.

“GST Annual return has to be filed by every taxpayer as per provisions of Section 44 of the CGST Act 2017. This guidance note on Annual return is especially significant since, the return is being filed for the first time after the rollout of GST last year. The taxpayers may revise or correct all such information as filed during the year, in the Annual Return and file correct information. The Government wants to ensure that there is no or very minimal revenue leakage in the whole process / system. A Guidance Note on this would surely come handy,” the ICMAI Chief CMA Amit A Apte said.

[Home](#)

GLOBAL:

Sri Lanka July exports up 5.7-pct, tea, garments down

(Source: EconomyNext, October 8, 2018)

Sri Lanka's earnings from merchandise exports surpassed a billion US dollars for the second consecutive month in July 2018, rising 5.7 per cent to 1,073 million US dollars from a year ago, the central bank said.

Expenditure on merchandise imports increased by 10.3 per cent to 1,754 million US dollars in July 2018 over the same period, a statement said.

The trade gap in July 2018 rose to 681 million dollars from 576 million dollars the previous year owing to higher imports.

“On a cumulative basis, the deficit in the trade account widened considerably during the first seven months of 2018 in comparison to the corresponding period of 2017,” the central bank said.

The trade balance in the January – July 2018 period rose to 6.4 billion dollars from 5.3 billion dollars the year before.

Earnings from industrial exports contributed to increased export earnings while agricultural and mineral exports recorded poor performance during the month, the statement said.

“Under industrial exports, earnings from export of petroleum products increased significantly due to higher export prices of bunker and aviation fuel despite reduction in volumes.”

However, export earnings from textiles and garments declined marginally in July 2018.

This was due to the decline in demand from the USA and non-traditional markets such as Canada, UAE and Australia and the base effect which reflected significantly high export earnings in July 2017.

Earnings from agricultural exports reduced due to poor performance in almost all categories except vegetables and minor agricultural exports.

“While export earnings from tea declined due to the drop in both prices and volumes exported, earnings from coconut declined owing to the reduction in all kernel categories

as a result of lower export volumes despite higher prices reported for these products,” the central bank said.

Import spending rose because of the increased expenditure in all major import categories, as well as the effect of the low base in 2017.

Spending on fuel imports increased significantly during the month owing to higher import prices of crude oil and refined petroleum products.

Expenditure on textiles and textile articles imports increased in July 2018 due to higher expenses on yarn and fabric imports.

“Consumer goods imports increased mainly due to higher imports of personal motor vehicles, particularly cars with less than 1,000 cylinder capacity, hybrid and electric motor cars,” the statement said.

To curb imports of small vehicles, taxes applicable on these categories were revised upward with effect from 01st August 2018 and a 100 per cent margin deposit requirement against letters of credit on non-commercial vehicle imports was imposed with effect from 19th September 2018.

Expenditure on food and beverages declined in July 2018 as a result of lower rice imports owing to the healthy harvest obtained during the Maha season.

[Home](#)

Cambodia's Hun Sen defiant despite EU trade threat

(Source: Prak Chan Thul, Reuters, October 8, 2018)

Cambodia's Prime Minister Hun Sen has taken a defiant stance following a European Union announcement last week that it would ramp up trade pressure on Cambodia over human rights concerns.

The European Union (EU) told Cambodia on Friday it will lose its special access to the world's largest trading bloc, and said it was considering similar trade sanctions for Myanmar, adding that it was ready to punish human rights abuses in both countries.

The EU warned that it had launched a six-month review of Cambodia's duty-free access to the EU, meaning garments, sugar and other exports could face tariffs within 12 months.

Speaking to Cambodian students on Sunday as part of a trip to Japan to attend a regional meeting, Hun Sen said Cambodia must defend its sovereignty. Hun Sen has held power for three decades.

"No matter what measures they want to take against Cambodia, in whatever way, Cambodia must be strong in its defence of its sovereignty," Hun Sen said during a speech to students in Tokyo shared on his Facebook page on Sunday.

"I say it again and again: don't exchange national sovereignty with aid, don't exchange the peace of the country with aid," he said.

He did not specifically comment on how the removal of trade privileges could impact exports.

The EU warned Cambodia in July that it could lose its special trade status after a general election that month returned Prime Minister Hun Sen to power.

Rights groups said the election was not fair because of the lack of a credible opposition, among other reasons.

The main opposition Cambodia National Rescue Party (CNRP) was dissolved by the country's Supreme Court at the government's request last year and did not take part in the election.

Many CNRP leaders have fled abroad and are in living in self-imposed exile.

Cambodia's exports to the European Union were worth 5 billion euros (\$5.8 billion) last year, according to EU data, up from negligible levels less than a decade ago.

Cambodia's textile, garments and footwear industry are vital to its economy. Around 40 percent of its GDP comes from garment exports.

The garments sector employs more than 800,000 workers. The EU and U.S. are the country's primary markets for exports, according to the International Labour Organization (ILO).

Reuters was unable to reach three workers' unions for reaction on Monday. A government spokesman, Phay Siphon, was also unavailable to comment.

Cambodia is marking a national holiday from Monday to Wednesday this week with many offices closed.

(Additional reporting and writing by Amy Sawitta Lefevre in BANGKOK Editing by Simon Cameron-Moore)

[Home](#)

Tajikistan to develop textile and clothing production

(Source: Abdul Kerimkhanov, Azer News, October 09, 2018)

Textile and clothing production in Tajikistan for the eight months of this year increased by almost 30 percent, Avesta reported.

Ministry of Energy and Industry of the country states that the amount of production of textile and clothing products during this period made more than 844.5 million somoni (more than \$ 89.6 million).

In the textile and clothing industry, the industrial production index increased by 29.1 percent due to an increase in the output of cotton fiber, fabric, carpets and carpet products, and hosiery.

As statistics agency of the country reports, for the specified period, the textile exports amounted to more than \$ 149.6 million, which is \$ 71.6 million, or 92 percent more than the same period last year. Of the total exports, over \$ 106.9 million is accounted for exports of cotton fiber.

In light industry, an increase in food production is also observed - by 2.3 percent due to an increase in the production of flour, meat, sausages, canned goods, and so on.

During this period, food production amounted to more than 2.7 billion somoni (\$ 287 million).

This sector of the economy has a long tradition, the origins of which date back to the heyday of the Great Silk Road.

In the middle of the last century, a complete production cycle was organized, including the production of raw materials, spinning, fabric manufacturing, and the manufacture of garments and carpets.

The main products are fabrics and garments made from them, denim pants, shorts, textiles, carpet and leather products. The country has a full value chain, starting with the production of raw materials to the production of finished products. The sector has modern enterprises for sewing clothes, shoes. The government considers this sector a priority industry. It is planned to increase the export potential on the basis of the modernization of production, stimulating the creation of new enterprises.

Tajikistan is also successfully implementing the International Trade Center (ITC) program, aimed at supporting the development of the textile and clothing industry and improving the quality management infrastructure.

[Home](#)

Trashing cotton in a quality-conscious world

(Source: Amjad Mahmood, The Dawn, October 9, 2018)

Bringing down the trash content in local cotton to the globally acceptable level remains a distant dream. Stakeholders are indecisive about how to overcome the menace that is creating a negative image of Pakistan's silver crop in the quality-conscious world.

Thus, the largest cotton producer after China, United States and India is ranked second in terms of contamination.

Punjab Cotton Research Institute Director Dr Sagheer Ahmed claims that cotton supplies are comparatively cleaner so far this season. Trash content is four per cent on average, he said. But he expressed fear that the rate is likely to go up as cotton picking comes to an end.

Stakeholders blame each other for high trash content while the government mulls changing the law to hold ginners responsible for impurities in cotton

Cotton contaminants include common shopping bags, hair of women who pick cotton manually, threads of nylon bags used for storing cotton, sand, dust and stalks and leaves of the cotton plant itself.

These contaminants not only affect the quality of cotton, but also make it expensive for textile mills. A survey by the International Textile Manufacturers Federation puts the global figure for contamination-related losses to \$200 million a year.

Instead of devising a strategy, half-hearted efforts are being made to overcome the problem in Punjab, which accounts for almost 80pc of the yield.

Last year, provincial agriculture authorities tried to make cotton contamination-free by offering growers proper training and providing them with grey cloth for transporting the produce.

At least 416,000 female cotton pickers were to be trained before the start of the picking season along the lines of a similar (unsuccessful) attempt in 2002. They were also to be provided with grey cloth without any charge because they usually use plastic bags or dupattas to collect cotton. The project halted midway for the want of funds that the department concerned did not release.

With no alternative plan at hand to ensure clean cotton, the authorities are mulling an amendment to the Cotton Control Act to hold the ginners responsible for impurities.

“We’re thinking about amending the law to take action against those ginning units that have cotton containing trash over and above the permissible level,” a senior official says.

“They have been asked not to accept phutti or raw cotton (which is) contaminated more than the set standards.”

He says textile mills and the ginners are being asked to fund the campaign for creating awareness about the importance of contamination-free cotton and the training of pickers.

Punjab Cotton Ginners Association representative Chaudhry Akram says the agriculture authorities are ‘threatening’ the ginners with fines and the sealing of premises in case foreign matter totalling more than 3pc is found in cotton bales. He lamented the fact that the ginners were being held responsible for the fault of growers.

He says the ginners as well as the All Pakistan Textile Mills Association have assured the authorities that they will fund the awareness drive and the training of pickers. He added that they were not ready to directly shoulder the responsibility for the training as that job should best be left to the officials of the agriculture department.

Some observers, however, believe that low prices, and not a lack of training, are the reason behind the high level of contamination.

Dr Zahid Mahmood of the Central Cotton Research Institute, Multan, asserts that the growers resort to the mixing of trash in phutti when the ginners deny them a fair rate for their produce. “If you give them the right price, you’ll get the quality you desire.”

Refuting the impression that the farming community resorts to contamination, the growers blame middlemen for the high trash content.

“Arhtis (middlemen) and ginners mix water and other contaminants with cotton to increase its weight. Growers are paid less and their produce is subjected to a weight cut of 2kg per maund by arhtis if they ever indulge in it,” says Pakistan Kisan Ittehad General Secretary Mian Umair who is also a cotton grower.

“This leaves no incentive for the growers to mix contaminants with cotton,” he said, adding that the officials of the agriculture department seldom visit the growers.

[Home](#)

France Should Put Uzbekistan Leader to the Test

(Source: Human Rights Watch, October 08, 2018)



Uzbekistan President Shavkat Mirziyoyev’s upcoming visit to Paris will be his first meeting with a European Union leader since being elected in December 2016. Just over two years after the death of former President Islam Karimov, whose 25-year

legacy was marred by terrible human rights abuses, French President Emmanuel Macron will have the opportunity during the October 9 visit to send a clear message to Mirziyoyev that to become a trusted partner of Europe, Uzbekistan has to make a meaningful transition to democracy.

Since assuming office, Mirziyoyev has taken modest but meaningful steps to make Uzbekistan less repressive. Dozens of political prisoners, including peaceful political opponents, journalists, and human rights defenders have been released, some restrictions have been lifted on freedom of expression and the media, and Mirziyoyev's administration has directed government officials to be more accessible to citizens' complaints. In May, a court in Tashkent released a journalist detained on political charges of "extremism" following allegations he had suffered torture – another sign of progress. Notably, the president has made genuine pledges to eliminate forced labor in Uzbekistan's cotton sector.

But there is a long way to go. The Uzbek government structure remains authoritarian and many promising reforms have yet to be implemented. The security services' powers are deep and vast, free elections and political pluralism are distant dreams, and there are still thousands of people in prison on politically motivated charges.

Nobody knows how long the spirit of openness in Tashkent will last, nor if its positive steps will translate into lasting change and human rights improvements. But France and other EU states should make clear that these first steps, albeit in the right direction are not enough, and should put Mirziyoyev to the test of a genuine democratic path. The Uzbek experience since 2016 has shown that political will can lead to more rights-respecting leadership in Central Asia. Both France and Mirziyoyev should prove to Uzbek citizens that their vision for a brighter future will not stall halfway.

[Home](#)
